

# EXHIBIT 1

## STANDARD INSURANCE COMPANY

A Stock Life Insurance Company  
 900 SW Fifth Avenue  
 Portland, Oregon 97204-1282  
 (503) 321-7000

*People. Not Just Policies.®*

## GROUP LONG TERM DISABILITY INSURANCE STATEMENT OF COVERAGE

<b>Policyowner:</b>	Fleet National Bank, Trustee of The Standard Insurance Company Group	<b>Employer:</b>	A.U.L. CORPORATION
<b>Policy Number:</b>	638213-T	<b>Group Number</b>	623691-C
<b>Policy Effective Date:</b>	August 1, 1999	<b>Employer Effective Date:</b>	January 1, 2000

The Group Policy has been issued to the Policyowner. An employer must apply for group long term disability insurance coverage under the Group Policy and join the Standard Insurance Company Group Insurance Trust by submitting a completed application and agreeing to pay premiums. No Employer's coverage under the Group Policy is in effect until approved in writing by us.

The Group Policy contains numerous optional and variable provisions. The options and variables we have approved for the Employer's coverage under the Group Policy are contained in this Statement Of Coverage. Only those provisions of the Group Policy which appear in this Statement Of Coverage will apply to the Employer's coverage under the Group Policy. All provisions on this and the following pages are part of the Statement Of Coverage.

The consideration for the Employer's coverage under the Group Policy is the application of the Employer and the payment by the Employer of premiums as provided herein.

Subject to the **Policyowner And Employer Provisions** and the **Incontestability Provisions**, the Employer's coverage under the Group Policy (a) is effective for the Initial Rate Guarantee Period shown in the **Coverage Features**, and (b) may be renewed for successive renewal periods by the payment on each renewal date, provided the number of persons insured on each renewal date is neither less than the Minimum Participation shown in the **Coverage Features**. The length of successive renewal periods will be determined by us, but will not be less than 12 months. For purposes of effective dates and ending dates under the Group Policy, all days begin and end at 12:00 midnight Standard Time (a) at the Employer's address with respect to the Employer and (b) at the Policyowner's address with respect to the Policyowner.

The terms "you" and "your" mean the Member. "We", "us", and "our" mean Standard Insurance Company. Other defined terms appear with their initial letters capitalized. Section headings, and references to them, appear in boldface type.

STANDARD INSURANCE COMPANY

By

*Ronald E. Tingue*  
 President

*J. Greg Ross*  
 Corporate Secretary

GP399-LTD/TRUST

*85-01-008*

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## COVERAGE FEATURES

This section contains many of the features of your long term disability (LTD) insurance. Other provisions, including exclusions, limitations, and Deductible Income, appear in other sections. Please refer to the text of each section for full details. The Table of Contents and the Index of Defined Terms help locate sections and definitions.

## GENERAL POLICY INFORMATION

Group Policy Number:	638213-T
Policyowner:	Fleet National Bank, Trustee of the Standard Insurance Insurance Company Group Insurance Trust One Constitution Plaza, 14th Floor Hartford, CT 06115
Employer(s):	A.U.L. CORPORATION
Group Number:	623691-C
Group Policy Effective Date:	August 1, 1999
Employer Effective Date:	January 1, 2000
Policy Issued in:	Rhode Island

Member means:

1. A regular employee of the Employer;
2. Actively At Work at least 30 hours each week (for purposes of the Member definition, Actively At Work will include regularly scheduled days off, holidays, or vacation days, so long as the person is capable of Active Work on those days); and
3. A citizen or resident of the United States or Canada.

Member does not include a temporary or seasonal employee, a full-time member of the armed forces of any country, a leased employee, or an independent contractor.

Class Definition: None

## SCHEDULE OF INSURANCE

Eligibility Waiting Period:	You are eligible on one of the following dates, but not before the Group Policy Effective Date:
	If you are a Member on the Employer Effective Date, you are eligible on the first day of the calendar month coinciding with or next following 60 consecutive days as a Member.
	If you become a Member after the Employer Effective Date, you are eligible on the first day of the calendar month coinciding with or next following 60 consecutive days as a Member.

Eligibility Waiting Period means the period you must be a Member before you become eligible for insurance.

Own Occupation Period:	The first 24 months for which LTD Benefits are paid.
Any Occupation Period:	From the end of the Own Occupation Period to the end of the Maximum Benefit Period.
LTD Benefit:	60% of the first \$10,000 of your Predisability Earnings, reduced by Deductible Income.
Maximum LTD Benefit:	\$6,000 before reduction by Deductible Income.
Minimum LTD Benefit:	\$100
Assisted Living Benefit:	An additional 40% of the first \$10,000 of your Predisability Earnings, but not to exceed \$4,000. The Assisted Living Benefit is not reduced by Deductible Income.
Benefit Waiting Period:	90 days
Maximum Benefit Period:	Determined by your age when Disability begins, as follows:
Age	Maximum Benefit Period
61 or younger .....	To age 65, or 3 years 6 months, if longer.
62.....	3 years 6 months
63.....	3 years
64.....	2 years 6 months
65.....	2 years
66.....	1 year 9 months
67.....	1 year 6 months
68.....	1 year 3 months
69 or older .....	1 year

#### PREMIUM CONTRIBUTIONS

Insurance is:	Noncontributory
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#### PREMIUM AND RENEWALS

Premium Rate:	0.640% of each insured Member's insured Predisability Earnings up to \$10,000.
Premium Due Dates:	January 1, 2000 and the first day of each calendar month thereafter.
Initial Rate Guarantee Period:	
Policy:	Not applicable
Employer Participation:	January 1, 2000 to February 1, 2002

Minimum Participation:

Number:

Policy: Not applicable

Employer Participation: 10 insured Members

Percentage:

Policy: Not applicable

Employer Participation: 100% of eligible Members

## INSURING CLAUSE

If you become Disabled while insured under the Group Policy, we will pay LTD Benefits according to the terms of your Employer's coverage under the Group Policy after we receive Proof Of Loss satisfactory to us.

LT.IC.OT.2

## BECOMING INSURED

To become insured you must be a Member, complete your Eligibility Waiting Period, and meet the requirements in **Active Work Provisions** and **When Your Insurance Becomes Effective**.

You are a Member if you are:

1. A regular employee of the Employer;
2. Actively At Work at least 30 hours each week (for purposes of the Member definition, Actively At Work will include regularly scheduled days off, holidays, or vacation days, so long as you are capable of Active Work on those days); and
3. A citizen or resident of the United States or Canada.

You are not a Member if you are a temporary or seasonal employee, a full-time member of the armed forces of any country, a leased employee, or an independent contractor.

Eligibility Waiting Period means the period you must be a Member before you become eligible for insurance. Your Eligibility Waiting Period is shown in the **Coverage Features**.

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## WHEN YOUR INSURANCE BECOMES EFFECTIVE

### A. When Insurance Becomes Effective

Subject to the **Active Work Provisions**, your insurance becomes effective as follows:

#### 1. Insurance Subject To Evidence Of Insurability

Insurance subject to Evidence Of Insurability becomes effective on the date we approve your Evidence Of Insurability.

#### 2. Insurance Not Subject To Evidence of Insurability

The **Coverage Features** states whether insurance is Contributory or Noncontributory.

##### a. Noncontributory Insurance

Noncontributory insurance not subject to Evidence Of Insurability becomes effective on the date you become eligible.

##### b. Contributory Insurance

You must apply in writing for Contributory insurance and agree to pay premiums. Contributory insurance not subject to Evidence Of Insurability becomes effective on:

- i. The date you become eligible if you apply on or before that date; or
- ii. The date you apply if you apply within 31 days after you become eligible.

Late application: Evidence Of Insurability is required if you apply more than 31 days after you become eligible.

**B. Takeover Provisions**

1. If you were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy, your Eligibility Waiting Period is waived on the effective date of your Employer's coverage under the Group Policy.
2. You must submit satisfactory Evidence Of Insurability to become insured if you were eligible for insurance under the Prior Plan for more than 31 days but were not insured.

**C. Evidence Of Insurability Requirement**

Evidence Of Insurability satisfactory to us is required:

- a. For late application for Contributory insurance.
- b. For Members eligible but not insured under the Prior Plan.
- c. For reinstatements if required.
- d. If you were required to provide Evidence Of Insurability during a prior period of eligibility under the Group Policy and either (1) you did not provide Evidence Of Insurability; or (2) we disapproved your Evidence Of Insurability.

Providing Evidence Of Insurability means you must:

1. Complete and sign our medical history statement;
2. Sign our form authorizing us to obtain information about your health;
3. Undergo a physical examination, if required by us, which may include blood testing; and
4. Provide any additional information about your insurability that we may reasonably require.

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## **ACTIVE WORK PROVISIONS**

**A. Active Work Requirement**

You must be capable of Active Work on the day before the scheduled effective date of your insurance or your insurance will not become effective as scheduled. If you are incapable of Active Work because of Physical Disease, Injury, Pregnancy or Mental Disorder on the day before the scheduled effective date of your insurance, your insurance will not become effective until the day after you complete one full day of Active Work as an eligible Member.

Active Work and Actively At Work mean performing with reasonable continuity the Material Duties of your Own Occupation at your Employer's usual place of business.

**B. Changes In Insurance**

This Active Work requirement also applies to any increase in your insurance.

LT.AW.OT.1

## **CONTINUITY OF COVERAGE**

If your Disability is subject to the Preexisting Condition Exclusion, LTD Benefits will be payable if:

1. You were insured under the Prior Plan on the day before the effective date of your Employer's coverage under the Group Policy;
2. You became insured under the Group Policy when your insurance under the Prior Plan ceased;

3. You were continuously insured under the Group Policy from the effective date of your insurance under the Group Policy through the date you became Disabled from the Preexisting Condition; and
4. Benefits would have been payable under the terms of the Prior Plan if it had remained in force, taking into account the preexisting condition exclusion, if any, of the Prior Plan.

For such a Disability, the amount of your LTD Benefit will be the lesser of:

- a. The monthly benefit that would have been payable under the terms of the Prior Plan if it had remained in force; or
- b. The LTD Benefit payable under the terms of your Employer's coverage under the Group Policy, but without application of the Preexisting Condition Exclusion.

Your LTD Benefits for such a Disability will end on the earlier of the following dates:

- a. The date benefits would have ended under the terms of the Prior Plan if it had remained in force; or
- b. The date LTD Benefits end under the terms of your Employer's coverage under the Group Policy.

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### **WHEN YOUR INSURANCE ENDS**

Your insurance ends automatically on the earliest of:

1. The date the last period ends for which a premium contribution was made for your insurance.
2. The date the Group Policy terminates.
3. The date your Employer's coverage under the Group Policy terminates.
4. The date your employment terminates.
5. The date you cease to be a Member. However, your insurance will be continued during the following periods when you are absent from Active Work, unless it ends under any of the above.
  - a. During the first 90 days of a temporary or indefinite administrative or involuntary leave of absence or sick leave, provided your Employer is paying you at least the same Predisability Earnings paid to you immediately before you ceased to be a Member. A period when you are absent from Active Work as part of a severance or other employment termination agreement is not a leave of absence, even if you are receiving the same Predisability Earnings.
  - b. During a leave of absence if continuation of your insurance under the Group Policy is required by a state-mandated family or medical leave act or law.
  - c. During any other temporary leave of absence approved by your Employer in advance and in writing and scheduled to last 30 days or less. A period of Disability is not a leave of absence.

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### **WAIVER OF PREMIUM**

We will waive payment of premium for your insurance while LTD Benefits are payable.

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## **REINSTATEMENT OF INSURANCE**

If your insurance ends, you may become insured again as a new Member. However, the following will apply:

1. If you cease to be a Member because of a covered Disability, your insurance will end; however, if you become a Member again immediately after LTD Benefits end, the Eligibility Waiting Period will be waived and, with respect to the condition(s) for which LTD Benefits were payable, the Preexisting Condition Exclusion will be applied as if your insurance had remained in effect during that period of Disability.
2. If your insurance ends because you cease to be a Member for any reason other than a covered Disability, and if you become a Member again within 90 days, the Eligibility Waiting Period will be waived.
3. If your insurance ends because you fail to make a required premium contribution, you must provide Evidence Of Insurability to become insured again.
4. If your insurance ends because you are on a federal or state-mandated family or medical leave of absence, and you become a Member again immediately following the period allowed, your insurance will be reinstated pursuant to the federal or state-mandated family or medical leave act or law.
5. The Preexisting Conditions Exclusion will be applied as if insurance had remained in effect in the following instances:
  - a. If you become insured again within 90 days.
  - b. If required by federal or state-mandated family or medical leave act or law and you become insured again immediately following the period allowed under the family or medical leave act or law.
6. In no event will insurance be retroactive.

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## **DEFINITION OF DISABILITY**

You are **Disabled** if you meet the following definitions during the periods they apply:

- A. Own Occupation Definition Of Disability.
- B. Any Occupation Definition Of Disability.

A. Own Occupation Definition Of Disability

During the Benefit Waiting Period and the Own Occupation Period you are required to be **Disabled** only from your **Own Occupation**.

You are **Disabled** from your **Own Occupation** if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder:

1. You are unable to perform with reasonable continuity the Material Duties of your **Own Occupation**; and
2. You suffer a loss of at least 20% in your Indexed Predisability Earnings when working in your **Own Occupation**.

Note: You are not **Disabled** merely because your right to perform your **Own Occupation** is restricted, including a restriction or loss of license.

During the Own Occupation Period you may work in another occupation while you meet the Own Occupation Definition Of Disability. However, you will no longer be Disabled when your Work Earnings from another occupation meet or exceed 80% of your Indexed Predisability Earnings. Your Work Earnings may be Deductible Income. See **Return To Work Provisions and Deductible Income**.

Own Occupation means any employment, business, trade, profession, calling or vocation that involves Material Duties of the same general character as the occupation you are regularly performing for your Employer when Disability begins. In determining your Own Occupation, we are not limited to looking at the way you perform your job for your Employer, but we may also look at the way the occupation is generally performed in the national economy. If your Own Occupation involves the rendering of professional services and you are required to have a professional or occupational license in order to work, your Own Occupation is as broad as the scope of your license.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty.

#### B. Any Occupation Definition Of Disability

During the Any Occupation Period you are required to be Disabled from all occupations.

You are Disabled from all occupations if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to perform with reasonable continuity the Material Duties of Any Occupation.

Any Occupation means any occupation or employment which you are able to perform, whether due to education, training, or experience, which is available at one or more locations in the national economy and in which you can be expected to earn at least 60% of your Indexed Predisability Earnings within twelve months following your return to work, regardless of whether you are working in that or any other occupation.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty.

Your Own Occupation Period and Any Occupation Period are shown in the **Coverage Features**.

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## RETURN TO WORK PROVISIONS

#### A. Return To Work Responsibility

During the Own Occupation Period no LTD Benefits will be payable for any period when you are able to work in your Own Occupation and able to earn at least 20% of your Indexed Predisability Earnings, but you elect not to work.

During the Any Occupation Period no LTD Benefits will be payable for any period when you are able to work in Any Occupation and able to earn at least 20% of your Indexed Predisability Earnings, but you elect not to work.

#### B. Return To Work Incentive

You may serve your Benefit Waiting Period while working if you meet the Own Occupation Definition Of Disability.

You are eligible for the Return To Work Incentive on the first day you work after the Benefit Waiting Period if LTD Benefits are payable on that date. The Return To Work Incentive changes 12 months after that date, as follows:

1. During the first 12 months, your Work Earnings will be Deductible Income as determined in a., b. and c:
  - a. Determine the amount of your LTD Benefit as if there were no Deductible Income, and add your Work Earnings to that amount.
  - b. Determine 100% of your Indexed Predisability Earnings.
  - c. If a. is greater than b., the difference will be Deductible Income.
2. After those first 12 months, 50% of your Work Earnings will be Deductible Income.

**C. Work Earnings Definition**

Work Earnings means your gross monthly earnings from work you perform while Disabled, plus the earnings you could receive if you worked as much as you are able to, considering your Disability, in work that is reasonably available:

- a. In your Own Occupation during the Own Occupation Period; and
- b. In Any Occupation during the Any Occupation Period.

Work Earnings includes earnings from your Employer, any other employer, or self-employment, and any sick pay, vacation pay, annual or personal leave pay or other salary continuation earned or accrued while working.

Earnings from work you perform will be included in Work Earnings when you have the right to receive them. If you are paid in a lump sum or on a basis other than monthly, we will prorate your Work Earnings over the period of time to which they apply. If no period of time is stated, we will use a reasonable one.

In determining your Work Earnings we:

1. Will use the financial accounting method you use for income tax purposes, if you use that method on a consistent basis.
2. Will not be limited to the taxable income you report to the Internal Revenue Service.
3. May ignore expenses under section 179 of the IRC as a deduction from your gross earnings.
4. May ignore depreciation as a deduction from your gross earnings.
5. May adjust the financial information you give us in order to clearly reflect your Work Earnings.

If we determine that your earnings vary substantially from month to month, we may determine your Work Earnings by averaging your earnings over the most recent three-month period. During the Own Occupation Period you will no longer be Disabled when your average Work Earnings over the last three months exceed 80% of your Indexed Predisability Earnings. During the Any Occupation Period you will no longer be Disabled when your average Work Earnings over the last three months exceed 60% of your Indexed Predisability Earnings.

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**REASONABLE ACCOMMODATION EXPENSE BENEFIT**

If you return to work in any occupation for any employer, not including self-employment, as a result of a reasonable accommodation made by such employer, we will pay that employer a Reasonable Accommodation Expense Benefit of up to \$25,000, but not to exceed the expenses incurred.

The Reasonable Accommodation Expense Benefit is payable only if the reasonable accommodation is approved by us in writing prior to its implementation.

LT.RA.O.T.1

### **REHABILITATION PLAN PROVISION**

While you are Disabled you may qualify to participate in a Rehabilitation Plan. Rehabilitation Plan means a written plan, program or course of vocational training or education that is intended to prepare you to return to work.

To participate in a Rehabilitation Plan you must apply on our forms or in a letter to us. The terms, conditions and objectives of the plan must be accepted by you and approved by us in advance. We have the sole discretion to approve your Rehabilitation Plan.

An approved Rehabilitation Plan may include our payment of some or all of the expenses you incur in connection with the plan, including:

- a. Training and education expenses.
- b. Family care expenses.
- c. Job-related expenses.
- d. Job search expenses.

LT.RH.O.T.1

### **TEMPORARY RECOVERY**

You may temporarily recover from your Disability and then become Disabled again from the same cause or causes without having to serve a new Benefit Waiting Period. Temporary Recovery means you cease to be Disabled for no longer than the applicable Allowable Period. See **Definition Of Disability**.

#### **A. Allowable Periods**

- 1. During the Benefit Waiting Period: a total of 30 days of recovery.
- 2. During the Maximum Benefit Period: 180 days for each period of recovery.

#### **B. Effect Of Temporary Recovery**

If your Temporary Recovery does not exceed the Allowable Periods, the following will apply.

- 1. The Predisability Earnings used to determine your LTD Benefit will not change.
- 2. The period of Temporary Recovery will not count toward your Benefit Waiting Period, your Maximum Benefit Period or your Own Occupation Period.
- 3. No LTD Benefits will be payable for the period of Temporary Recovery.
- 4. No LTD Benefits will be payable after benefits become payable to you under any other disability insurance plan under which you become insured during your period of Temporary Recovery.
- 5. Except as stated above, the provisions of the Group Policy will be applied as if there had been no interruption of your Disability.

LT.TR.O.T.1

## **WHEN LTD BENEFITS END**

Your LTD Benefits end automatically on the earliest of:

1. The date you are no longer Disabled.
2. The date your Maximum Benefit Period ends.
3. The date you die.
4. The date benefits become payable under any other LTD plan under which you become insured through employment during a period of Temporary Recovery.
5. The date you fail to provide proof of continued Disability and entitlement to LTD Benefits.

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## **PREDISABILITY EARNINGS**

Your Predisability Earnings will be based on your earnings in effect on your last full day of Active Work. Any subsequent change in your earnings after that last full day of Active Work will not affect your Predisability Earnings.

**A. Partners, P.C. Partners, Owner-Employees, Sole Proprietors and S-Corporation Shareholders**

If you are a Partner, Owner-Employee, Sole Proprietor or S-Corporation Shareholder, Predisability Earnings means your average monthly compensation from your Employer during the Employer's prior tax year. If you are a P.C. Partner, Predisability Earnings means the average monthly compensation received by your professional corporation from the partnership during the prior tax year. Your average monthly compensation is determined by adding the following amounts as reported on the applicable Schedule K-1, Schedule C, Form W-2 or S-Corporation federal income tax return, and dividing by 12 (or by the number of months you were a Partner, P.C. Partner, Owner-Employee, Sole Proprietor or S-Corporation Shareholder if less than 12):

1. Your ordinary income (loss) from trade or business activity(ies).
2. Your guaranteed payments, if you are a Partner.
3. Your net profit from business.
4. Your compensation (as an officer), salary, or wages, if you are an S-Corporation Shareholder.

If you were not a Partner, P.C. Partner, Owner-Employee, Sole Proprietor or S-Corporation Shareholder during the entire prior tax year, your Predisability Earnings will be your average monthly compensation for your period as a Partner, P.C. Partner, Owner-Employee, Sole Proprietor or S-Corporation Shareholder.

**B. All Other Members**

Predisability Earnings means your monthly rate of earnings from your Employer, including:

1. Commissions averaged over the preceding 12 months or over the period of your employment if less than 12 months.
2. Shift differential pay.

Predisability Earnings does not include:

1. Bonuses.
2. Overtime pay.
3. Any other extra compensation.

If you are paid on an annual contract basis, your monthly rate of earnings is one-twelfth (1/12th) of your annual contract salary.

If you are paid hourly, your monthly rate of earnings is based on your hourly pay rate multiplied by the number of hours you are regularly scheduled to work per month, but not more than 173 hours. If you do not have regular work hours, your monthly rate of earnings is based on the average number of hours you worked per month during the preceding 12 calendar months (or during your period of employment if less than 12 months), but not more than 173 hours.

C. All Members

Predisability Earnings includes:

1. Contributions you make through a salary reduction agreement with your Employer to:
  - a. An Internal Revenue Code (IRC) Section 401(k), 403(b), 408(k), 408(p), or 457 deferred compensation arrangement; or
  - b. An executive nonqualified deferred compensation arrangement.
2. Amounts contributed to your fringe benefits according to a salary reduction agreement under an IRC Section 125 plan.

Predisability Earnings does not include your Employer's contributions on your behalf to any deferred compensation arrangement or pension plan.

(K1\_REG WITE COM) LL.PD.OT.2

## DEDUCTIBLE INCOME

Subject to **Exceptions To Deductible Income**, Deductible Income means:

1. Sick pay, annual or personal leave pay, severance pay, or other salary continuation, including donated amounts, (but not vacation pay) paid to you by your Employer, if it exceeds the amount found in a., b., and c.
  - a. Determine the amount of your LTD Benefit as if there were no Deductible Income, and add your sick pay or other salary continuation to that amount.
  - b. Determine 100% of your Indexed Predisability Earnings.
  - c. If a. is greater than b., the difference will be Deductible Income.
2. Your Work Earnings, as described in the **Return To Work Provisions**.
3. Any amount you receive or are eligible to receive because of your disability, including amounts for partial or total disability, whether permanent, temporary, or vocational, under any of the following:
  - a. A workers' compensation law;
  - b. The Jones Act;
  - c. Maritime Doctrine of Maintenance, Wages, or Cure;
  - d. Longshoremen's and Harbor Worker's Act; or
  - e. Any similar act or law.
4. Any amount you, your spouse, or your child under age 18 receive or are eligible to receive because of your disability or retirement under:
  - a. The Federal Social Security Act;
  - b. The Canada Pension Plan;

- c. The Quebec Pension Plan;
- d. The Railroad Retirement Act; or
- e. Any similar plan or act.

Full offset: Both the primary benefit (the benefit awarded to you) and dependents benefit are Deductible Income.

Benefits your spouse or a child receives or are eligible to receive because of your disability are Deductible Income regardless of marital status, custody, or place of residence. The term "child" has the meaning given in the applicable plan or act.

- 5. Any amount you receive or are eligible to receive because of your disability under any state disability income benefit law or similar law.
- 6. Any amount you receive or are eligible to receive because of your disability under another group insurance coverage.
- 7. Any disability or retirement benefits you receive under your Employer's retirement plan.
- 8. Any earnings or compensation included in Predisability Earnings which you receive or are eligible to receive while LTD Benefits are payable.
- 9. Any amount you receive or are eligible to receive under any unemployment compensation law or similar act or law.
- 10. Any amount you receive or are eligible to receive from or on behalf of a third party because of your disability, whether by judgement, settlement or other method. If you notify us before filing suit or settling your claim against such third party, the amount used as Deductible Income will be reduced by a pro rata share of your costs of recovery, including reasonable attorney fees.
- 11. Any amount you receive by compromise, settlement, or other method as a result of a claim for any of the above, whether disputed or undisputed.

(NO OTHER OFFSET\_PRIV\_WITH SBD) LT.DI.CT.1

### **EXCEPTIONS TO DEDUCTIBLE INCOME**

Deductible Income does not include:

- 1. Any cost of living increase in any Deductible Income other than Work Earnings, if the increase becomes effective while you are Disabled and while you are eligible for the Deductible Income.
- 2. Reimbursement for hospital, medical, or surgical expense.
- 3. Reasonable attorneys fees incurred in connection with a claim for Deductible Income.
- 4. Benefits from any individual disability insurance policy.
- 5. Early retirement benefits under the Federal Social Security Act which are not actually received.
- 6. Group credit or mortgage disability insurance benefits.
- 7. Accelerated death benefits paid under a life insurance policy.
- 8. Benefits from the following:
  - a. Profit sharing plan.
  - b. Thrift or savings plan.
  - c. Deferred compensation plan.
  - d. Plan under IRC Section 401(k), 408(k), 408(p), or 457.

- e. Individual Retirement Account (IRA).
- f. Tax Sheltered Annuity (TSA) under IRC Section 403(b).
- g. Stock ownership plan.
- h. Keogh (HR-10) plan.
- g. The following amounts under your Employer's retirement plan:
  - a. A lump sum distribution of your entire interest in the plan.
  - b. Any amount which is attributable to your contributions to the plan.
  - c. Any amount you could have received upon termination of employment without being disabled or retired.

(PRIV NO OTHER OFFST) LT.ED.OT.1

## **RULES FOR DEDUCTIBLE INCOME**

### **A. Monthly Equivalents**

Each month we will determine your LTD Benefit using the Deductible Income for the same monthly period, even if you actually receive the Deductible Income in another month.

If you are paid Deductible Income in a lump sum or by a method other than monthly, we will determine your LTD Benefit using a prorated amount. We will use the period of time to which the Deductible Income applies. If no period of time is stated, we will use a reasonable one.

### **B. Your Duty To Pursue Deductible Income**

You must pursue Deductible Income for which you may be eligible. We may ask for written documentation of your pursuit of Deductible Income. You must provide it within 60 days after we mail you our request. Otherwise, we may reduce your LTD Benefits by the amount we estimate you would be eligible to receive upon proper pursuit of the Deductible Income.

### **C. Pending Deductible Income**

We will not deduct pending Deductible Income until it becomes payable. You must notify us of the amount of the Deductible Income when it is approved. You must repay us for the resulting overpayment of your claim.

### **D. Overpayment Of Claim**

We will notify you of the amount of any overpayment of your claim under any group disability insurance policy issued by us. You must immediately repay us. You will not receive any LTD Benefits until we have been repaid in full. In the meantime, any LTD Benefits paid, including the Minimum LTD Benefit, will be applied to reduce the amount of the overpayment. We may charge you interest at the legal rate for any overpayment which is not repaid within 30 days after we first mail you notice of the amount of the overpayment.

LT.RU.OT.1

## **SUBROGATION**

If LTD Benefits are paid or payable to you under the Group Policy as the result of any act or omission of a third party, we will be subrogated to all rights of recovery you may have in respect to such act or omission. You must execute and deliver to us such instruments and papers as may be required to do whatever else is needed to secure such rights. You must avoid doing anything that would prejudice our rights of subrogation.

If you notify us before filing suit or settling your claim against such third party, the amount to which we are subrogated will be reduced by a pro rata share of your costs of recovery, including reasonable attorney fees. If suit or action is filed, we may record a notice of payments of LTD Benefits, and such notice shall constitute a lien on any judgement recovered.

If you or your legal representative fail to bring suit or action promptly against such third party, we may institute such suit or action in our name or in your name. We are entitled to retain from any judgement recovered the amount of LTD Benefits paid or to be paid to you or on your behalf, together with our costs of recovery, including attorney fees. The remainder of such recovery, if any, shall be paid to you or as the court may direct.

LT.SG.OT.1

## **ASSISTED LIVING BENEFIT**

### **A. Assisted Living Benefit**

If you meet the requirements in 1 through 3 below, we will pay Assisted Living Benefits according to the terms of the Group Policy after we receive Proof Of Loss satisfactory to us.

#### **Assisted Living Benefit Requirements**

1. You are Disabled and LTD Benefits are payable to you.
2. While you are Disabled:
  - a. You, due to loss of functional capacity as a result of Physical Disease or Injury, become unable to safely and completely perform two or more Activities Of Daily Living without Hands-on Assistance or Standby Assistance; or
  - b. You require Substantial Supervision for your health or safety due to Severe Cognitive Impairment as a result of Physical Disease or Injury.
3. The condition in 2.a or 2.b above is expected to last 90 days or more as certified by a Physician in the appropriate specialty as determined by us.

### **B. Definitions For Assisted Living Benefit**

Activities Of Daily Living means Bathing, Continence, Dressing, Eating, Toiletting, or Transferring.

Bathing means washing oneself, whether in the tub or shower or by sponge bath, with or without the help of adaptive devices.

Continence means voluntarily controlling bowel and bladder function, or, if incontinent, maintaining a reasonable level of personal hygiene.

Dressing means putting on and removing all items of clothing, footwear, and medically necessary braces and artificial limbs.

Eating means getting food and fluid into the body, whether manually, intravenously, or by feeding tube.

Toiletting means getting to and from and on and off the toilet, and performing related personal hygiene.

Transferring means moving into or out of a bed, chair or wheelchair, with or without adaptive devices.

Hands-on Assistance means the physical assistance of another person without which the insured would be unable to perform the Activity Of Daily Living.

Standby Assistance means the presence of another person within arm's reach of the insured that is necessary to prevent, by physical intervention, injury to the insured while the insured is

performing the Activity Of Daily Living (such as being ready to catch the insured if the insured falls while getting into or out of the bathtub or shower as part of Bathing, or being ready to remove food from the insured throat if the insured chokes while Eating).

Severe Cognitive Impairment means a loss or deterioration in intellectual capacity that is (a) comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia, and (b) is measured by clinical evidence and standardized tests approved by us that reliably measure impairment in (i) short-term or long-term memory, (ii) orientation as to people, places, or time, and (iii) deductive or abstract reasoning. Severe Cognitive Impairment does not include loss or deterioration as a result of a Mental Disorder.

Substantial Supervision means continual supervision (which may include cueing by verbal prompting, gestures, or other demonstrations) by another person that is necessary to protect you from threats to your health or safety (such as may result from wandering).

**C. Amount Of The Assisted Living Benefit**

The amount of the Assisted Living Benefit is shown in the **Coverage Features**.

**D. Becoming Insured For Assisted Living Benefits**

You are eligible for Assisted Living Benefit coverage if you are insured for LTD insurance. Subject to the **Active Work Provision**, your Assisted Living Benefit coverage becomes effective on the date your LTD insurance becomes effective.

**E. Payment Of Assisted Living Benefits**

We will pay Assisted Living Benefits within 60 days after Proof Of Loss is satisfied. Your Assisted Living Benefits will be paid to you at the same time LTD Benefits are payable.

**F. Time Limits On Filing Proof Of Loss**

Proof Of Loss must be provided within 90 days after the date of the loss. If that is not possible, it must be provided as soon as reasonably possible, but not later than one year after that 90-day period.

If Proof Of Loss is filed outside these time limits, the claim will be denied. These limits will not apply while the claimant lacks legal capacity.

**G. When Assisted Living Benefits End**

Assisted Living Benefits end automatically on the earliest of:

1. The date you no longer meet the requirements in item A. above.
2. The date your LTD Benefits end.

**H. Assisted Living Benefit Exclusions**

No Assisted Living Benefit is payable if your inability to perform Activities Of Daily Living or your Severe Cognitive Impairment is caused or contributed to by:

1. Use of alcohol, alcoholism, use of any drug, including hallucinogens, or drug addiction.
2. A Mental Disorder.

**I. When Assisted Living Benefits Coverage Ends**

Assisted Living Benefit coverage ends automatically on the earliest of:

1. The date your LTD insurance ends.
2. The date Assisted Living Benefit coverage terminates under the Group Policy.

J. Assisted Living Benefits After Insurance Ends Or Is Changed

Your right to receive Assisted Living Benefits will not be affected by the occurrence of the events described in 1 or 2 below that become effective after you become Disabled.

1. Termination or amendment of the Group Policy or your Employer's coverage under the Group Policy.
2. Termination of Assisted Living Benefit coverage while the Group Policy or your Employer's coverage under the Group Policy remains in force.

LT.LB.OT.1

### SURVIVORS BENEFIT

If you die while LTD Benefits are payable, and on the date you die you have been continuously Disabled for at least 180 days, we will pay a Survivors Benefit according to 1 through 4 below.

1. The Survivors Benefit is a lump sum equal to 3 times your LTD Benefit without reduction by Deductible Income.
2. The Survivors Benefit will first be applied to reduce any overpayment of your claim.
3. The Survivors Benefit will be paid at our option to any one or more of the following:
  - a. Your surviving spouse;
  - b. Your surviving unmarried children, including adopted children, under age 25;
  - c. Your surviving spouse's unmarried children, including adopted children, under age 25; or
  - d. Any person providing the care and support of any person listed in a., b., or c. above.
4. No Survivors Benefit will be paid if you are not survived by any person listed in a., b., or c. above.

LT.SB.OT.1

### BENEFITS AFTER INSURANCE ENDS OR IS CHANGED

During each period of continuous Disability, we will pay LTD Benefits according to the terms of your Employer's coverage under the Group Policy in effect on the date you become Disabled. Your right to receive LTD Benefits will not be affected by:

1. Any amendment to the Group Policy or your Employer's coverage under the Group Policy that is effective after you become Disabled.
2. Termination of the Group Policy or your Employer's coverage under the Group Policy after you become Disabled.

LT.BA.OT.2

### EFFECT OF NEW DISABILITY

If a period of Disability is extended by a new cause while LTD Benefits are payable, LTD Benefits will continue while you remain Disabled. However, 1 and 2 apply.

1. LTD Benefits will not continue beyond the end of the original Maximum Benefit Period.
2. The **Disabilities Excluded From Coverage**, **Disabilities Subject To Limited Pay Periods**, and **Limitations** sections will apply to the new cause of Disability.

LT.ND.OT.1

## **DISABILITIES EXCLUDED FROM COVERAGE**

### **A. War**

You are not covered for a Disability caused or contributed to by War or any act of War. War means declared or undeclared war, whether civil or international, and any substantial armed conflict between organized forces of a military nature.

### **B. Intentionally Self-Inflicted Injury**

You are not covered for a Disability caused or contributed to by an intentionally self-inflicted Injury, while sane or insane.

### **C. Preexisting Condition**

#### **1. Definition**

Preexisting Condition means a mental or physical condition, whether or not diagnosed or misdiagnosed:

- a. For which you have done or for which a reasonably prudent person would have done any of the following:
  - i. Consulted a physician or other licensed medical professional;
  - ii. Received medical treatment, services or advice;
  - iii. Undergone diagnostic procedures, including self-administered procedures;
  - iv. Taken prescribed drugs or medications;
- b. Which, as a result of any medical examination, including routine examination, was discovered or suspected;

at any time during the 180-day period just before your insurance becomes effective.

#### **2. Exclusion**

You are not covered for a Disability caused or contributed to by a Preexisting Condition or medical or surgical treatment of a Preexisting Condition unless, on the date you become Disabled, you:

- a. Have been continuously insured under the Group Policy for 24 months; and
- b. Have been Actively At Work for at least one full day after the end of that 24 months.

### **D. Loss Of License Or Certification**

You are not covered for a Disability caused or contributed to by the loss of your professional license, occupational license or certification.

### **E. Violent Or Criminal Conduct**

You are not covered for a Disability caused or contributed to by your committing or attempting to commit an assault or felony, or actively participating in a violent disorder or riot. Actively participating does not include being at the scene of a violent disorder or riot while performing your official duties.

(WITH PRUDNT) LT.XD.OT.1

## **DISABILITIES SUBJECT TO LIMITED PAY PERIODS**

### **A. Mental Disorders and Substance Abuse**

Payment of LTD Benefits is limited to 24 months during your entire lifetime for a Disability caused or contributed to by any one or more of the following, or medical or surgical treatment of one or more of the following:

1. Mental Disorders; or
2. Substance Abuse.

However, if you are confined in a Hospital solely because of a Mental Disorder at the end of the 24 months, this limitation will not apply while you are continuously confined.

Mental Disorder means any mental, emotional, behavioral, psychological, personality, cognitive, mood or stress-related abnormality, disorder, disturbance, dysfunction or syndrome, regardless of cause (including any biological or biochemical disorder or imbalance of the brain) or the presence of physical symptoms. Mental Disorder includes, but is not limited to, bipolar affective disorder, organic brain syndrome, schizophrenia, psychotic illness, manic depressive illness, depression and depressive disorders, anxiety and anxiety disorders.

Substance Abuse means use of alcohol, alcoholism, use of any drug, including hallucinogens, or drug addiction.

Hospital means a legally operated hospital providing full-time medical care and treatment under the direction of a full-time staff of licensed physicians. Rest homes, nursing homes, convalescent homes, homes for the aged, and facilities primarily affording custodial, educational, or rehabilitative care are not Hospitals.

### **B. Rules For Disabilities Subject To Limited Pay Periods**

1. If you are Disabled as a result of a Mental Disorder or any Physical Disease or Injury for which payment of LTD Benefits is subject to a limited pay period, and at the same time are Disabled as a result of a Physical Disease, Injury, or Pregnancy that is not subject to such limitation, LTD Benefits will be payable first for conditions that are subject to the limitation.
2. No LTD Benefits will be payable after the end of the limited pay period, unless on that date you continue to be Disabled as a result of a Physical Disease, Injury, or Pregnancy for which payment of LTD Benefits is not limited.

(NO OTHER LMS) LT.LP.OT.1

## **LIMITATIONS**

### **A. Care Of A Physician**

You must be under the ongoing care of a Physician in the appropriate specialty as determined by us during the Benefit Waiting Period. No LTD Benefits will be paid for any period of Disability when you are not under the ongoing care of a Physician in the appropriate specialty as determined by us.

### **B. Return To Work Responsibility**

During the Own Occupation Period no LTD Benefits will be paid for any period of Disability when you are able to work in your Own Occupation and able to earn at least 20% of your Indexed Predisability Earnings, but you elect not to work.

During the Any Occupation Period, no LTD Benefits will be paid for any period of Disability when you are able to work in Any Occupation and able to earn at least 20% of your Indexed Predisability Earnings, but elect not to work.

**C. Rehabilitation Program**

No LTD Benefits will be paid for any period of Disability when you are not participating in good faith in a plan, program or course of medical treatment or vocational training or education approved by us unless your Disability prevents you from participating.

**D. Foreign Residency**

Payment of LTD Benefits is limited to 12 months for each period of continuous Disability while you reside outside of the United States or Canada.

**E. Imprisonment**

No LTD Benefits will be paid for any period of Disability when you are confined for any reason in a penal or correctional institution.

LT.LN.LOT.1

## **CLAIMS**

**A. Filing A Claim**

Claims should be filed on our forms. If we do not provide our forms within 15 days after they are requested, you may submit your claim in a letter to us. The letter should include the date disability began, and the cause and nature of the disability.

**B. Time Limits On Filing Proof Of Loss**

You must give us Proof Of Loss within 90 days after the end of the Benefit Waiting Period. If you cannot do so, you must give it to us as soon as reasonably possible, but not later than one year after that 90-day period. If Proof Of Loss is filed outside these time limits, your claim will be denied. These limits will not apply while you lack legal capacity.

**C. Proof Of Loss**

Proof Of Loss means written proof that you are Disabled and entitled to LTD Benefits. Proof Of Loss must be provided at your expense.

For claims of Disability due to conditions other than Mental Disorders, we may require proof of physical impairment that results from anatomical or physiological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques.

**D. Documentation**

Completed claims statements, a signed authorization for us to obtain information, and any other items we may reasonably require in support of a claim must be submitted at your expense. If the required documentation is not provided within 60 days after we mail our request, your claim may be denied.

**E. Investigation Of Claim**

We may investigate your claim at any time.

At our expense, we may have you examined at reasonable intervals by specialists of our choice. We may deny or suspend LTD Benefits if you fail to attend an examination or cooperate with the examiner.

**F. Time Of Payment**

We will pay LTD Benefits within 60 days after you satisfy Proof Of Loss.

LTD Benefits will be paid to you at the end of each month you qualify for them. LTD Benefits remaining unpaid at your death will be paid to the person(s) receiving the Survivors Benefit. If no Survivors Benefit is paid, the unpaid LTD Benefits will be paid to your estate.

#### G. Notice Of Decision On Claim

You will receive a written decision on your claim within a reasonable time after we receive your claim.

If you do not receive our decision within 90 days after we receive your claim, you will have an immediate right to request a review as if your claim had been denied.

If we deny any part of your claim, you will receive a written notice of denial containing:

1. The reasons for our decision;
2. Reference to the parts of the Group Policy on which our decision is based;
3. A description of any additional information needed to support your claim; and
4. Information concerning your right to a review of our decision.

#### H. Review Procedure

If all or part of your claim is denied, you may request a review. You must request a review in writing within 60 days after receiving notice of the denial.

You may send us written comments or other items to support your claim, and may review any non-privileged information that relates to your request for review.

We will review your claim promptly after we receive your request. We will send you a notice of our decision within 60 days after we receive your request, or within 120 days if special circumstances require an extension. We will state the reasons for our decision and refer you to the relevant parts of the Group Policy.

#### I. Assignment

The rights and benefits under the Group Policy are not assignable.

LT.CLOT.1

### ALLOCATION OF AUTHORITY

Except for those functions which the Group Policy specifically reserves to the Policyowner or Employer, we have full and exclusive authority to control and manage the Group Policy, to administer claims, and to interpret the Group Policy and resolve all questions arising in the administration, interpretation, and application of the Group Policy.

Our authority includes, but is not limited to:

1. The right to resolve all matters when a review has been requested;
2. The right to establish and enforce rules and procedures for the administration of the Group Policy and any claim under it;
3. The right to determine:
  - a. Eligibility for insurance;
  - b. Entitlement to benefits;
  - c. The amount of benefits payable; and

- d. The sufficiency and the amount of information we may reasonably require to determine a., b., or c., above.

Subject to the review procedures of the Group Policy, any decision we make in the exercise of our authority is conclusive and binding.

LT.AL.OT.1

### **TIME LIMITS ON LEGAL ACTIONS**

No action at law or in equity may be brought until 60 days after you have given us Proof Of Loss. No such action may be brought more than three years after the earlier of:

1. The date we receive Proof Of Loss; and
2. The time within which Proof Of Loss is required to be given.

LT.TL.OT.1

### **INCONTESTABILITY PROVISIONS**

#### **A. Incontestability Of Insurance**

Any statement made to obtain insurance or to increase insurance is a representation and not a warranty.

No misrepresentation will be used to reduce or deny a claim or contest the validity of insurance unless:

1. The insurance would not have been approved if we had known the truth; and
2. We have given you or any other person claiming benefits a copy of the signed written instrument which contains the misrepresentation.

After insurance has been in effect for two years during the lifetime of the insured, we will not use a misrepresentation to reduce or deny the claim, unless it was a fraudulent misrepresentation.

#### **B. Incontestability Of The Group Policy Or Employer Coverage Under The Group Policy**

Any statement made by the Policyowner or Employer to obtain the Group Policy is a representation and not a warranty.

No misrepresentation by the Policyowner or your Employer will be used to deny a claim or to deny the validity of the Group Policy unless:

1. The Group Policy would not have been issued if we had known the truth; and
2. We have given the Policyowner or Employer a copy of a written instrument signed by the Policyowner or Employer which contains the misrepresentation.

The validity of the Group Policy or your Employer's coverage under the Group Policy will not be contested after it has been in force for two years, except for nonpayment of premiums or fraudulent misrepresentations.

LT.IN.OT.2

## **CLERICAL ERROR, AGENCY, AND MISSTATEMENT**

### **A. Clerical Error**

Clerical error by the Policyowner, your Employer, or their respective employees or representatives will not:

1. Cause a person to become insured.
2. Invalidate insurance under the Group Policy otherwise validly in force.
3. Continue insurance under the Group Policy otherwise validly terminated.
4. Cause an Employer to obtain coverage under the Group Policy.

### **B. Agency**

Your Employer acts on its own behalf as your agent, and not as our agent. Your Employer have no authority to alter, expand or extend our liability or to waive, modify or compromise any defense or right we may have under the Group Policy.

### **C. Misstatement Of Age**

If a person's age has been misstated, we will make an equitable adjustment of premiums, benefits, or both. The adjustment will be based on:

1. The amount of insurance based on the correct age; and
2. The difference between the premiums paid and the premiums which would have been paid if the age had been correctly stated.

LT.CE.OT.2

## **TERMINATION OR AMENDMENT OF GROUP POLICY OR EMPLOYER COVERAGE**

The Group Policy may be terminated, changed or amended in whole or in part by us or the Policyowner according to the terms of the Group Policy. Any such change or amendment may apply to current or future Employers and Members covered under the Group Policy or to any separate classes or categories thereof. An Employer's coverage under the Group Policy may be terminated, changed or amended in whole or in part by us or the Employer according to the terms of the Group Policy.

We may change the Group Policy or any Employer's coverage under the Group Policy in whole or in part when any change or clarification in law or governmental regulation affects our obligations under the Group Policy, or with the Policyowner's or Employer's consent.

An Employer may terminate coverage under the Group Policy in whole, and may terminate insurance for any class or group of Members, at any time by giving us written notice. Insurance will terminate automatically for nonpayment of premium.

Benefits are limited to the terms of your Employer's coverage under the Group Policy, including any valid amendment. No change or amendment to your Employer's coverage will be valid unless it is approved in writing by one of our executive officers and given to your Employer. The Policyowner, your Employer, and their respective employees or representatives have no right or authority to change or amend the Group Policy or your Employer's coverage under the Group Policy or to waive any of its terms or provisions thereof without our signed, written approval.

LT.TA.OT.2

## DEFINITIONS

Benefit Waiting Period means the period you must be continuously Disabled before LTD Benefits become payable. No LTD Benefits are payable for the Benefit Waiting Period. See **Coverage Features**.

Contributory means insurance is elective and Members pay all or part of the premium for insurance.

CPI-W means the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the United States Department of Labor. If the CPI-W is discontinued or changed, we may use a comparable index. Where required, we will obtain prior state approval of the new index.

Employer means an employer (including approved affiliates and subsidiaries) participating in the Standard Insurance Company Group Insurance Trust for which coverage under the Group Policy is approved in writing by us.

Group Policy with respect to the Policyowner means the group LTD insurance policy issued by us to the Policyowner and identified by the Group Policy Number. Group Policy with respect to an Employer means only those provisions of the Group Policy, including the options and variables requested by the Employer, we have approved for that Employer with respect to its eligible employees. The Employer's coverage under the Group Policy is described in the Statement Of Coverage provided by us to the Employer.

Indexed Predisability Earnings means your Predisability Earnings adjusted by the rate of increase in the CPI-W. During your first year of Disability, your Indexed Predisability Earnings are the same as your Predisability Earnings. Thereafter, your Indexed Predisability Earnings are determined on each anniversary of your Disability by increasing the previous year's Indexed Predisability Earnings by the rate of increase in the CPI-W for the prior calendar year. The maximum adjustment in any year is 10%. Your Indexed Predisability Earnings will not decrease, even if the CPI-W decreases.

Injury means an injury to the body.

LTD Benefit means the monthly benefit payable to you under the terms of your Employer's coverage under the Group Policy.

Maximum Benefit Period means the longest period for which LTD Benefits are payable for any one period of continuous Disability, whether from one or more causes. It begins at the end of the Benefit Waiting Period. No LTD Benefits are payable after the end of the Maximum Benefit Period, even if you are still Disabled. See **Coverage Features**.

Noncontributory means (a) insurance is nonelective and the Policyowner or Employer pay the entire premium for insurance; or (b) the Policyowner or Employer require all eligible Members to have insurance and to pay all or part of the premium for insurance.

Physical Disease means a physical disease entity or process that produces structural or functional changes in the body as diagnosed by a Physician.

Physician means a licensed M.D. or D.O., acting within the scope of the license. Physician does not include you or your spouse, or the brother, sister, parent, or child of either you or your spouse.

Pregnancy means your pregnancy, childbirth, or related medical conditions, including complications of pregnancy.

Prior Plan means your Employer's group long term disability insurance plan in effect on the day before the effective date of your Employer's coverage under the Group Policy and which is replaced by your Employer's coverage under the Group Policy.

LT.DF.OT.2

## POLICYOWNER PROVISIONS

### A. Employer Coverage Under The Group Policy

The Group Policy is issued to the Policyowner. An employer must apply for coverage under the Group Policy and join the Standard Insurance Company Group Insurance Trust by submitting a completed application and agreeing to pay premiums. No insurance under the Group Policy is in effect until approved in writing by us.

### B. Premiums

The premium due on each Premium Due Date is the sum of the premiums for all persons then insured. Premium Rates are shown in **Coverage Features**.

### C. Premiums

The premium due on each Premium Due Date is the sum of the premiums for all persons then insured. Premium Rates are shown in **Coverage Features**.

### D. Contributions From Members

The Employer determines the amount, if any, of each Member's contribution toward the cost of insurance.

### E. Changes In Premium Rates

We may change Premium Rates whenever:

1. A change or clarification in law or governmental regulation affects the amount payable under the Group Policy. Any such change in Premium Rates will reflect only the change in our obligations.
2. Factors material to underwriting the risk we assumed under the Group Policy with respect to an Employer, including, but not limited to, number of persons insured, age, Predisability Earnings, gender, and occupational classification, changes by 25% or more.
3. The premium contribution arrangement for Members is changed or varies from that stated in the Group Policy when issued or last renewed.
4. We and the Policyowner or the Employer mutually agree to change Premium Rates.

Except as provided above, Premium Rates will not be changed during the Initial Rate Guarantee Period shown in **Coverage Features**. Thereafter, except as provided above, we may change Premium Rates upon 31 days advance written notice to the Policyowner. Any such change in Premium Rates may be made effective on any Premium Due Date, but no such change will be made more than once in any contract year. Contract years are successive 12 month periods computed from the end of the Initial Rate Guarantee Period.

### F. Payment Of Premiums

All premiums are due on the Premium Due Dates shown in **Coverage Features**.

Each premium is payable on or before its Premium Due Date directly to us at our home office. The payment of each premium by the Policyowner as it becomes due will maintain the Group Policy in force until the next Premium Due Date.

### G. Grace Period And Termination For Nonpayment

If a premium is not paid on or before its Premium Due Date, it may be paid during the following grace period of 31 days. The Group Policy or an Employer's coverage under the Group Policy will remain in force during the grace period.

If the premium is not paid during the grace period, the Group Policy will terminate automatically at the end of the grace period.

The Policyowner is liable for premium for coverage during the grace period. We may charge interest at the legal rate for any premium which is not paid during the grace period, beginning with the first day after the grace period.

#### H. Termination For Other Reasons

The Policyowner may terminate the Group Policy by giving us written notice. The effective date of termination will be the later of:

1. The date stated in the notice; and
2. The date we receive the notice.

We may terminate the Group Policy as follows:

1. On any Premium Due Date if the number of persons insured is less than the Minimum Participation shown in **Coverage Features**.
2. On any Premium Due Date if we determine that the Policyowner has failed to promptly furnish any necessary information requested by us, or has failed to perform any other obligations relating to the Group Policy.

The minimum advance notice of termination by us is 31 days.

#### I. Premium Adjustments

Premium adjustments involving a return of unearned premiums to the Policyowner will be limited to the 12 months just before the date we receive a request for premium adjustment.

#### J. Certificates

We will issue certificates to the Employer showing the Employer's coverage under the Group Policy. The Employer will distribute a certificate to each insured Member. If the terms of the certificate differ from the Employer's coverage under the Group Policy, the latter will govern.

#### K. Records And Reports

The Policyowner or Employer will furnish on our forms all information reasonably necessary to administer the Group Policy. We have the right at all reasonable times to inspect the payroll and other records of the Policyowner or Employer which relate to insurance under the Group Policy.

#### L. Agency And Release

Individuals selected by the Policyowner or by any Employer to secure coverage under the Group Policy or to perform their administrative function under it, represent and act on behalf of the person selecting them, and do not represent or act on behalf of Standard. The Policyowner, Employer and such individuals have no authority to alter, expand or extend our liability or to waive, modify or compromise any defense or right we may have under the Group Policy. Each Employer hereby releases, holds harmless and indemnifies Standard from any liability arising from or related to any negligence, error, omission, misrepresentation or dishonesty of any of them or their representatives, agents or employees.

#### M. Notice Of Suit

The Policyowner or Employer shall promptly give us written notice of any lawsuit or other legal proceedings arising under the Group Policy.

N. Entire Contract, Changes

The Group Policy and the application of the Policyowner and Employer constitute the entire contract between the parties. A copy of the Policyowner's application is attached to the Group Policy when issued. A copy of the Employer's application is attached to the Statement Of Coverage.

The Group Policy may be changed in whole or in part. No change in the Group Policy will be valid unless it is approved in writing by one of our executive officers and given to the Policyowner for attachment to the Group Policy. No change in an Employer's coverage under the Group Policy will be valid unless it is approved in writing by one of our executive officers and given to the Employer for attachment to the Statement Of Coverage. No agent has authority to change the Group Policy or an Employer's coverage under the Group Policy or to waive any provisions thereof.

O. Effect On Workers' Compensation, State Disability Insurance

The coverage provided under the Group Policy is not a substitute for coverage under a workers' compensation or state disability income benefit law and does not relieve the Employer of any obligation to provide such coverage.

(NO DIV) LT.PO.OT.2

TRUST\_LTDP2000

## EXHIBIT 2

## Time Card Report

Todays Date: 2/3/2006 10:03:11 PM

From Date: 2/1/2005

To Date: 2/3/2006

sims  
ipervisor  
oylesP

REDACTED

ipa CA 94558

Date	Clock In	Lunch Out	Lunch In	Lunch Out	Clock Out	Total Hrs	Net Hrs	Status	Vac Hrs	PTO Hrs	Sick Hrs	Hol Hrs	OT Hrs	Others
2/01/2005	TUE	08:08	13:47	13:59	00:11	16:33	08:26	08:13						
2/02/2005	WED	07:50				15:57	08:06							
2/03/2005	THU	08:00				16:03	08:02							
2/04/2005	FRI	07:58				14:54	08:47							
2/07/2005	MON	05:58				17:08	09:08							
2/08/2005	TUE	07:59				16:24	08:21							
2/09/2005	WED	08:03				17:03	08:27							
2/10/2005	THU	08:36				17:01	08:06							
2/11/2005	FRI	07:56				15:26	08:20							
2/14/2005	MON	08:08				14:54	08:51							
2/15/2005	TUE	08:03				16:58	10:46	08:53						
2/16/2005	WED	08:11	11:28	13:23	01:53	16:13	09:50							
2/17/2005	THU	08:14				14:46	08:33							
2/18/2005	FRI	08:13				16:13	09:58							
2/21/2005	MON					17:48	10:32							8
2/22/2005	TUE	07:15				16:07	09:48							
2/23/2005	WED	08:01				17:02	11:18							
2/24/2005	THU	08:28				17:08	10:38							
2/25/2005	FRI					17:08	10:38	VAC						
2/28/2005	MON	08:01	12:23	14:02	00:38	17:00	09:07	08:28						
3/01/2005	TUE	08:20	12:22	12:58	00:36	17:06	09:46	08:10						
3/02/2005	WED	08:18				17:07	09:48							
3/03/2005	THU	07:16				16:58	09:43							
3/04/2005	FRI	08:16				16:04	08:46							
3/07/2005	MON	07:38				16:53	09:14							
3/08/2005	TUE	07:36				16:56	09:09							
3/09/2005	WED	08:18				17:08	08:47							
3/10/2005	THU	07:51	12:45	13:18	00:29	17:21	09:29	09:00						
3/11/2005	FRI	08:08	08:18	10:17	00:58	16:35	08:50	07:51						
3/14/2005	MON	08:08	11:42	11:55	00:12	16:18	08:08	07:58						
3/15/2005	TUE	08:28				17:06	08:37							
3/16/2005	WED	08:28	12:00	12:30	00:30	17:31	09:02	08:32						
3/17/2005	THU	08:03				17:14	09:11							
3/18/2005	FRI							PTO						
3/21/2005	MON							PTO						
3/22/2005	TUE							PTO						
3/23/2005	WED							PTO						
3/24/2005	THU							PTO						

## Time Card Report

Todays Date: 2/3/2008 1:03:11 PM

From Date: 2/1/2005

To Date: 2/3/2008

Claims

Supervisor

Employee Patti

Employee CA 94558

REDACTED

Date	Clock In	Lunch Out	Lunch In	Lunch Out	Clock Out	Total Hrs	Net Hrs	Status	Vac Hrs	PTO Hrs	Sick Hrs	Hol Hrs	OT Hrs	Others
3/25/2006	FRI							PTO		8				
3/26/2006	MON							PTO		8				
3/27/2006	TUE							PTO		8				
3/28/2006	WED							VAC		8				
3/29/2006	THU							VAC		8				
4/01/2006	FRI							VAC		8				
4/04/2006	MON							VAC		8				
4/05/2006	TUE							VAC		8				
4/06/2006	WED							VAC		8				
4/07/2006	THU							VAC		8				
4/08/2006	FRI							VAC		8				
4/11/2006	MON	08:00				16:18	08:18				Nor			
4/12/2006	TUE	08:00				16:26	08:18				Nor			
4/13/2006	WED	08:00	12:02	12:20	08:17	16:29	08:28	08:11			Nor			
4/14/2006	THU	08:15				16:48	08:34				Nor			
4/16/2006	FRI	08:03				16:28	08:26				Nor			
4/18/2006	MON	08:17				17:01	08:44				Nor			
4/19/2006	TUE	08:01	11:14	11:40	08:26	16:48	08:43	08:18			Nor			
4/20/2006	WED	08:08	08:37	11:08	01:27	16:38	08:32	07:04			Nor			
4/21/2006	THU	07:48				16:30	08:42				Nor			
4/22/2006	FRI	07:48	10:08	10:30	08:30	16:37	08:49	08:19			Nor			
4/25/2006	MON							VAC		3				
4/26/2006	MON	08:08				12:54	04:47				Nor			
4/26/2006	TUE	07:58				16:30	06:32				Nor			
4/27/2006	WED	08:11				14:27	06:18				Nor			
4/28/2006	THU	07:51				12:07	04:15				Nor			
4/29/2006	FRI	07:55				16:33	06:38				Nor			
4/30/2006	MON	08:01				14:00	08:58				Nor			
4/03/2006	TUE	08:04				12:50	04:45				Nor			
4/09/2006	MON	07:55				16:30	08:38				Nor			
4/10/2006	TUE	07:57				16:53	08:35				Nor			
4/11/2006	WED	07:54				16:33	08:39				Nor			
4/12/2006	THU	08:03				13:52	05:48				Nor			
4/13/2006	FRI	07:56				12:32	04:38				Nor			
4/16/2006	MON	08:18				16:41	08:24				Nor			
4/17/2006	TUE	08:07				16:31	08:23				Nor			
4/18/2006	WED	07:34				16:28	08:54				Nor			
4/19/2006	THU	08:06				16:32	08:27				Nor			

## Time Card Report

Todays Date: 2/3/2006 1:03:12 PM

From Date: 2/1/2005

To Date: 2/3/2006

Time

Supervisor

DylesP

Rattl

PA CA 94558

REDACTED

Date	Clock In	Lunch Out	Lunch In	Lunch Out	Clock Out	Total Hrs	Net Hrs	Status	Vac Hrs	PTO Hrs	Sick Hrs	Hol Hrs	OT Hrs	Others
2/9/2006	FRI	08:04				16:32	08:18	Nor						
2/13/2006	MON	08:00				11:28	03:27	Nor						
2/14/2006	MON							VAC	4.5					
2/15/2006	TUE	08:00				16:46	08:46	Nor						
2/16/2006	WED	07:58				16:30	08:32	Nor						
2/17/2006	THU	08:04				16:37	08:31	Nor						
2/18/2006	FRI	08:06						Nor						
2/20/2006	MON							Hol						
2/21/2006	TUE	07:53				16:32	08:34	Nor						
2/21/2006	WED	07:51	13:27	14:55	01:27	16:40	08:48	07:21	Nor					
2/22/2006	THU	08:00	12:21	12:46	00:24	16:54	07:54	07:30	Nor					
2/23/2006	FRI	08:05				16:36	08:36	Nor						
2/26/2006	MON	08:00	13:10			16:35	08:34	Nor						
2/27/2006	TUE	08:00				16:40	08:40	Nor						
2/28/2006	WED	08:06				16:34	08:26	Nor						
2/29/2006	THU	08:10				16:24	07:14	Nor						
3/1/2006	FRI	07:58	12:17	13:02	00:45	16:39	08:44	07:59	Nor					
3/13/2006	MON	07:30				12:30	08:00	Nor						
3/13/2006	MON							VAC	2.8					
3/14/2006	TUE	08:18	13:30	13:51	00:21	16:31	08:15	07:53	Nor					
3/15/2006	WED	08:04	12:23	12:37	00:14	16:34	07:58	07:36	Nor					
3/16/2006	THU	08:30	14:46	16:48	01:02	17:38	09:07	08:54	Nor					
3/17/2006	FRI	07:59	08:46	10:54	01:08	16:32	08:33	07:24	Nor					
3/20/2006	MON	07:52	11:56	12:31	00:35	16:32	08:38	08:04	Nor					
3/21/2006	TUE	08:02	11:55	12:02	00:53	16:50	08:48	07:54	Nor					
3/22/2006	WED	07:53	12:02	12:20	00:18	17:00	09:07	08:48	Nor					1
3/23/2006	THU	08:10	12:12	12:31	00:19	16:09	07:48	07:39	Nor					
3/24/2006	FRI	08:07	12:00	13:15	01:16	16:47	08:39	07:24	Nor					
3/27/2006	MON	08:58	12:00	12:32	00:32	17:00	10:01	09:29	Nor					1.5
3/28/2006	TUE	08:01	13:53	14:30	00:39	17:04	09:02	08:32	Nor					0.75
3/29/2006	WED	08:04	13:03	13:30	00:26	16:48	08:43	08:17	Nor					0.5
3/30/2006	THU	07:58	12:00	12:30	00:39	16:45	08:46	08:18	Nor					0.5
3/31/2006	FRI	08:00	12:00	12:30	00:39	16:57	08:57	08:27	Nor					0.5
4/4/2006	MON							Hol						
4/5/2006	TUE	08:08	13:08	13:37	00:27	16:58	08:50	08:22	Nor					0.5
4/6/2006	WED	08:18	12:00	12:00	00:00	16:40	08:21	08:21	Nor					0.5
4/7/2006	THU	08:06	12:21	12:52	00:31	16:46	08:49	08:08	Nor					0.25
4/8/2006	FRI	08:09	11:58	12:33	00:34	16:44	08:32	07:58	Nor					

1000 Main St.  
Napa, CA 94559

## Time Card Report

Today's Date: 2/3/2006 1:03:12 PM

From Date: 2/1/2005

To Date: 2/3/2006

Time  
SupervisorEmployee Patti  
State CA  
Zip 94558

REDACTED

Date	Clock In	Lunch Out	Lunch In	Lunch Out	Clock Out	Total Hrs	Net Hrs	Status	Vac Hrs	PTO Hrs	Sick Hrs	Hol Hrs	OT Hrs	Others
7/10/2005	SUN	10:00	12:00	12:30	00:30	18:00	08:00	OT						1.4
7/11/2005	MON	07:00	13:30	13:50	00:22	18:58	08:48	Nor						1.8
7/12/2005	TUE	07:14	11:00	11:30	00:30	16:56	09:44	Nor						1.25
7/13/2005	WED	06:59	11:00	11:30	00:30	18:59	08:50	Nor						1.5
7/14/2005	THU	07:45	12:24	12:41	00:17	18:55	08:13	Nor						1
7/15/2005	FRI	07:32	12:22	12:56	00:33	17:08	08:38	Nor						1
7/16/2005	MON							VAC	5					
7/18/2005	TUE	08:14	12:27	12:56	00:29	18:51	08:38	Nor						0.25
7/20/2005	WED	08:18	12:06	12:44	00:37	18:47	08:37	Nor						0.75
7/21/2005	THU	08:11	11:58	12:28	00:28	17:18	08:04	Nor						0.75
7/22/2005	FRI	08:06	13:15	13:48	00:30	18:48	08:44	Nor						6.25
7/26/2005	MON	07:54				11:58	04:08	Nor						
7/26/2005	MON							VAC	3.8					
7/28/2005	TUE	08:02	12:04	12:31	00:27	18:38	08:38	Nor						0.25
7/27/2005	WED	08:05	12:03	12:34	00:31	16:54	08:48	Nor						0.5
7/28/2005	THU	08:00	12:06	12:34	00:30	17:00	08:00	Nor						0.5
7/29/2005	FRI	08:06	11:52	12:42	00:48	18:58	08:53	Nor						
7/31/2005	MON	08:08	13:30	13:50	00:19	18:40	08:32	Nor						0.25
8/02/2005	TUE	08:01	12:03	12:33	00:29	18:42	08:41	Nor						0.25
8/03/2005	WED	08:04	12:07	12:37	00:29	18:04	08:00	Nor						
8/04/2005	THU	08:00	12:00	12:30	00:30	18:16	10:16	Nor						1.75
8/05/2005	FRI	08:00	12:00	12:31	00:31	18:46	08:38	Nor						0.25
8/08/2005	MON	08:18	10:30	11:00	00:28	18:59	10:34	Nor						2.25
8/09/2005	TUE	08:08	10:33	11:04	00:31	18:58	10:58	Nor						2.5
8/10/2005	WED	08:20	12:21	12:56	00:36	18:30	08:00	Nor						
8/11/2005	THU	08:59	11:02	11:34	00:31	17:04	10:04	Nor						1.75
8/12/2005	FRI	08:32	15:00	16:30	00:29	18:59	10:27	Nor						2
8/16/2005	MON	08:13	08:57	12:06	02:09	16:48	08:38	Nor						
8/18/2005	TUE	08:00	12:00	12:30	00:30	16:30	08:38	Nor						
8/17/2005	WED	08:00	12:00	12:30	00:30	16:30	08:38	Nor						
8/18/2005	THU	08:02	12:46	13:18	00:31	16:32	08:30	Nor						
8/19/2005	FRI	08:17	12:58	13:30	00:33	16:53	08:55	Nor						
8/22/2005	MON	08:14	12:00	12:30	00:30	16:37	08:23	Nor						
8/23/2005	TUE	08:02	12:10	12:54	00:44	16:50	08:47	Nor						
8/24/2005	WED	08:12	13:01	14:01	00:59	16:40	08:27	Nor						0.75
8/25/2005	THU	08:17	12:48	13:15	00:26	16:36	08:18	Nor						0.52
8/26/2005	FRI	08:02	12:00	12:30	00:36	16:34	08:32	Nor						
8/29/2005	MON	08:07	13:51	14:12	00:20	16:28	08:21	Nor						

1000 Main St.  
Napa, CA, 94559

## Time Card Report

Todays Date: 2/3/2006 1:03:12 PM

From Date: 2/1/2005

To Date: 2/3/2006

Time

Supervisor

Employee Patti

PA CA 94558

REDACTED

Date	Clock In	Lunch Out	Lunch In	Lunch Out	Clock Out	Total Hrs	Net Hrs	Status	Vac Hrs	PTO Hrs	Sick Hrs	Hol Hrs	OT Hrs	Others
1/30/2006	TUE	08:06	12:00	12:30	00:30	16:33	08:26	07:56						
1/31/2006	WED	08:09	12:00	12:30	00:30	16:33	08:24	07:54						
2/1/2006	THU	08:10	12:00	12:30	00:30	16:26	08:14	07:44						
2/2/2006	FRI							VAC	8					
2/6/2006	MON							Hol						
2/8/2006	TUE							VAC	8					
2/7/2006	WED							VAC	8					
2/8/2006	THU							VAC	8					
2/9/2006	FRI							VAC	8					
2/12/2006	MON	07:34	12:00	12:30	00:30	16:36	08:01	08:31						
2/12/2006	MON							OT					0.75	
2/13/2006	TUE	07:57	12:00	12:30	00:30	16:56	08:06	07:30						
2/14/2006	WED	07:58	12:00	12:34	00:28	16:11	08:12	07:44						
2/15/2006	THU							VAC	8					
2/16/2006	FRI							VAC	8					
2/19/2006	MON							VAC	6.25					
2/19/2006	MON							NP					2.75	
2/20/2006	TUE							NP						8
2/21/2006	WED							NP						8
2/22/2006	THU							NP						8
2/23/2006	FRI							NP						8
2/26/2006	MON							NP						8
2/27/2006	TUE							NP						8
2/28/2006	WED							NP						8
2/29/2006	THU							NP						8
3/1/2006	FRI							NP						8
3/6/2006	WED							NP						8
3/17/2006	MON							NP						8
3/18/2006	TUE							NP						8
3/19/2006	WED							NP						8
3/20/2006	THU							NP						8
3/21/2006	FRI							NP						8
3/26/2006	MON							NP						8
3/28/2006	TUE							NP						8
3/29/2006	WED							NP						8
3/27/2006	THU							NP						8
3/28/2006	FRI							NP						8
3/31/2006	MON							NP						8

## Time Card Report

Todays Date: 2/3/2006 1:03:12 PM

From Date: 2/1/2005

To Date: 2/3/2006

alms

spervisor

ylesP Patti  
[REDACTED]  
apa CA 94558

REDACTED

Date	Clock In	Lunch Out	Lunch In	Lunch Out	Clock Out	Total Hrs	Net Hrs	Status	Vac Hrs	PTO Hrs	Sick Hrs	Hol Hrs	OT Hrs	Others
1/01/2006	TUE							NP						
1/02/2006	WED							NP						
1/03/2006	THU							NP						
1/04/2006	FRI							NP						
1/07/2006	MON							NP						
1/08/2006	TUE							NP						
1/09/2006	WED							NP						
1/10/2006	THU							NP						
1/11/2006	FRI							NP						
1/14/2006	MON							NP						
1/15/2006	TUE							NP						
1/16/2006	WED							NP						
1/17/2006	THU							NP						
1/18/2006	FRI							NP						
1/21/2006	MON							NP						
1/22/2006	TUE							NP						
1/23/2006	WED							NP						
1/24/2006	THU							NP						
1/25/2006	FRI							NP						
1/26/2006	MON							NP						
1/29/2006	TUE							NP						
1/30/2006	WED							NP						
2/01/2006	THU							NP						
2/02/2006	FRI							NP						
2/06/2006	MON							NP						
2/07/2006	TUE							NP						
2/08/2006	WED							NP						
2/09/2006	THU							NP						
2/09/2006	FRI							NP						
2/12/2006	MON							NP						
2/13/2006	TUE							NP						
2/14/2006	WED							NP						
2/15/2006	THU							NP						
2/16/2006	FRI							NP						
2/19/2006	MON							NP						
2/20/2006	TUE							NP						
2/21/2006	WED							NP						
2/22/2006	THU							NP						

## Time Card Report

Today Date: 2/3/2006 1:03:12 PM

From Date: 2/1/2005

To Date: 2/3/2006

Name:  
Supervisor:  
roylesP Patti

City: CA Zip: 94558

REDACTED

Date	Clock In	Lunch Out	Lunch In	Clock Out	Total Hrs	Net Hrs	Status	Vac Hrs	PTO Hrs	Sick Hrs	Hol Hrs	OT Hrs	Others
2/23/2006	FRI						NP						
2/26/2006	MON						NP						
2/27/2006	TUE						NP						
2/28/2006	WED						NP						
2/29/2006	THU						NP						
2/30/2006	FRI						NP						
3/02/2006	MON						Hol						8
3/02/2006	MON						NP						
3/03/2006	TUE						NP						
3/04/2006	WED						NP						
3/05/2006	THU						NP						
3/06/2006	FRI						NP						
3/07/2006	MON						NP						
3/10/2006	TUE						NP						
3/11/2006	WED						NP						
3/12/2006	THU						NP						
3/13/2006	FRI						NP						
3/17/2006	TUE						NP						
3/18/2006	WED						NP						
3/19/2006	THU						NP						
3/20/2006	FRI						NP						
3/23/2006	MON						NP						
3/24/2006	TUE						NP						
3/25/2006	WED						NP						
3/26/2006	THU						NP						
3/27/2006	FRI						NP						
3/30/2006	MON						NP						
01/31/2006	TUE						NP						

# EXHIBIT 3

Shannon Teed

Standard Insurance Company  
Phone (971) 321-7598  
Fax (971) 321-7437

3/29/05

Re: Patricia Bryces

SW ER Anna She notes life/LTD premium  
continuing - should she continue pay? I  
said we have decision this week +  
will notify - done.

All other benefits not terminated but all  
benefits terminated except life/LTD on COBRA  
as Mrs. Anna exhausted 12/18/05.



## EXHIBIT 4

## LifeStep DOT Browser

Page 1

Job Description Report

2/3/2006

## 241.137-018 SUPERVISOR, CLAIMS

Supervises and coordinates activities of workers engaged in examining insurance claims for payment in claims division of insurance company. Analyzes and approves insurance and matured endowment claims. Conducts personal interviews with policy owners and beneficiaries to explain procedure for filing claims. Submits statement of claim liabilities to actuarial department for review. Informs departmental supervisors on claims status. Evaluates job performance of subordinates. Performs duties described under SUPERVISOR (clerical) Master Title.

Aptitudes	Lvl	Temperaments	Lvl	Physical Demands	Lvl	Environmental	Lvl
General learning ability	2	Directing people or events	X	Climbing	N	Exposure to weather	N
Verbal skill	3	Repetitive tasks		Balancing	N	Extreme Cold	N
Numerical skill	2	Influencing people		Stooping	N	Extreme Heat	N
Spatial perception	4	Variety of tasks		Kneeling	N	Wet and/or humid	N
Form perception	4	Express personal feelings		Crouching	N	Noise Intensity Level	3
Clerical perception	2	Alone or apart from others		Crawling	N	Vibration	N
Motor coordination	4	Stress, dangerous tasks		Reaching	O	Atmospheric conditions	N
Finger dexterity	4	Tolerances, precise limits		Handling	O	Moving mechanical parts	N
Manual dexterity	4	Under specific instructions		Fingering	O	Exposure to electrical shock	N
Eye-Hand-Foot coordination	5	Dealing with people	X	Feeling	N	High, exposed places	N
Color discrimination	5	Making judgments	X	Talking	F	Exposure to radiation	N
GED	Lvl	Work Fields	Lvl	Hearing	F	Working with explosives	N
Reasoning	4	Investigating	271	Tasting/Smelling	N	Toxic or caustic chemicals	N
Math	3	Numerical Recording-Record Keeping	232	Near Acuity	F	Other	N
Language	4			Far Acuity	N		
Trainer	Lvl	MPSMS	Lvl	Depth Perception	N		
Strength	S	Insurance and Real Estate	895	Accommodation	N		
SVP	7			Color Vision	N		
JOE	1112.01			Field of Vision	N		

2/3/06 Re: Patricia Braggs Clm # 375832

I have reviewed file materials, specifically  
to include the EEs, ELS and JD. This is the closest  
JD description to claims on occupation  
as is rated sedentary.

Kathy McCarty

DOT

Brofes

from the desk of:

KATHLEEN McCARTHY, M.ED.

VOCATIONAL CASE MANAGER  
PHONE (503) 321-6828

3/9/06 Extended standing and walking  
would not be considered material  
duties of her own occupation  
as a Claim Supervisor.

Kathy McCarthy

## **EXHIBIT 5**



**REDACTED**

## Long Term Disability Benefits Employee's Statement

Standard Insurance Company, Employee Benefits Department  
PO Box 2800 Portland OR 97208-2800 800.368.1135 Tel 503.321.8400 Fax

Please type or print. Form may be returned for unanswered questions.

### 1. CLAIMANT

Full Name:	PATRICIA ANN BROYLES			Social Security No.:				
Address:				City:	Napa			
Phone No.:				Patient No.:				
Birthdate:				Sex:	<input type="checkbox"/> Male	<input checked="" type="checkbox"/> Female	Height: 5'0"	Weight: 225
Name of Spouse:	Roy A. Broyles			Birthdate:				
No. of dependent children:	NA			Birthday of youngest:	NA			
Did you receive a Certificate of Insurance?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No						
Brochure?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If no, please contact your employer to obtain a copy.					

### 2. EMPLOYMENT

Name of Employer:	A.U.L. Corporation			Group Policy No.:	623691	
Address:	1000 Main St. Suite 200			City:	Napa	
Phone No.:	707 251-9700			State:	CA	

State your job title and describe your duties at work.

Claim Analyst Supervisor - Payment Processing

Is your disability work-related?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Date of injury:	RECEIVED		
Have you filed a Workers' Compensation claim?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	If Yes, W.C. claim #	NOV 30 2005		
Last full day at work:	9/14/05			Employee Benefits - LTD		
Date you became unable to work at your occupation as a result of disability:	9/15/05					
Are you now or have you worked at your occupation or any other occupation since the date of your injury?	<input type="checkbox"/> Yes			<input checked="" type="checkbox"/> No		
If yes, list names of employers, addresses, telephone numbers, and dates of employment.						
Are you self-employed at any activity?	<input type="checkbox"/> Yes			<input checked="" type="checkbox"/> No		
Date you resumed part-time work:				Work Phone: ( )	Extension:	
Date you resumed full-time work:				Work Phone: ( )	Extension:	

### 3. SICKNESS Please list all illnesses which contribute to your being unable to work at your occupation.

Illness:	NA	Date First Noticed
	NA	Date First Noticed
State what you believe caused your illness.		
NA		
Describe your symptoms: NA		
Have you ever had the same condition or a related illness before? <input type="checkbox"/> Yes <input type="checkbox"/> No Date		



## Long Term Disability Benefits Employee's Statement

Standard Insurance Company Employee Benefits Department  
PO Box 2800 Portland OR 97208-2800 800.568.1135 Tel 503.321.8400 Fax

### 4. INJURY

Describe Injuries: Right Foot - Complete Rupture tibialis Tendon

Cause of Injuries: Unknown

Time, Date and Location of Injuries.

August 2004

### 5. PREGNANCY

Date you expect to cease work: NA

Expected delivery date: NA

Actual delivery date: NA

Expected return to work date: NA

Please indicate any foreseeable complications.

NA

### 6. ATTENDING PHYSICIAN List all physicians consulted for this injury or illness. Use separate sheet, if needed.

Physician's Name: James Talcott Specialty: Orthopedic Phone No.: 707.255.2000

Street Address: 3434 Villa Lane STE 150 Fax No.: ( )

City: Napa State: CA Zip Code: 94558

Date first consulted for this injury or illness: 12/04 Date last consulted: 12/04

Physician's Name: Glenn Pfeffer Specialty: Foot/Hand Orthop Phone No.: 310.423.3338

Street Address: 444 So. San Vicente, Suite 603 Fax No.: ( )

City: Los Angeles State: CA Zip Code: 90048

Date first consulted for this injury or illness: 1/13/05 Date last consulted: 1/25/05

Physician's Name: NA Specialty: — Phone No.: ( )

Street Address: — Fax No.: ( )

City: — State: — Zip Code: —

Date first consulted for this injury or illness: — Date last consulted: —

### 7. HOSPITAL If you were hospitalized for this condition, please complete. Please attach copy of hospital bill if available.

Hospital Name: California Pacific Medical Ctr Address: FILE 73710, P.O. Box 6000

From: 3/01/05 through: 3/18/05 Reason for hospitalization: Surgery

From: NA through: NA Reason for hospitalization: NA

### 8. HISTORY List all illnesses or injuries for which you have received treatment over the past five years. Use separate sheet if needed.

Illness	Date	Physician's Name	Complete Address
<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>



## Long Term Disability Benefits Employee's Statement

Standard Insurance Company, Employee Benefits Department  
PO Box 2800 Portland OR 97208-2800 800.368.1135 Tel 503.391.8400 Fax

### 9. DEDUCTIBLE INCOME

Have you applied for or are you receiving benefits from:	Applied Yes No	Receiving Yes No	Date Applied For	Amount Received Weekly	Amount Received Monthly	Effective Date
a. Social Security	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>				
b. Workers' Compensation	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>				
c. State Disability Insurance	<input checked="" type="checkbox"/> <input type="checkbox"/>	<input checked="" type="checkbox"/> <input type="checkbox"/>	9/15/05			
d. Retirement or Pension (Employer, PERS, STRS, PERA, etc.)	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>				
Please specify type _____						
e. Other _____ (e.g., unemployment or union benefits, etc.)	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>				

Please send copies of any letters or notices approving or denying benefits.

**REDACTED**

### 10. VOCATIONAL

Complete the following and/or attach a resume.

Education level	Yes	No	If no, last grade attended.
Grade School Graduate	<input checked="" type="checkbox"/> <input type="checkbox"/>		
High School Graduate	<input checked="" type="checkbox"/> <input type="checkbox"/>		
GED	<input type="checkbox"/> <input checked="" type="checkbox"/>		
College Graduate	<input type="checkbox"/> <input checked="" type="checkbox"/>	Degree	Major
Post Graduate	<input type="checkbox"/> <input checked="" type="checkbox"/>	Degree	Major

Have you attended any trade schools or received other special training?  Yes  No

If yes, please describe.

*RECEIVED  
NOV 30 2005*

### Work Experience: Complete the following starting with your most recent work experience.

Employee Benefits - LTD

Job Title & Employer	Dates of Employment	Duties	Last Salary
1. <u>QUL Corp</u>	From: 1/12/99 To: Current	Customer Service - Accounting - Claim Payment Supervisor	\$ [REDACTED]
2 <u>AI KAZ 10/18/14</u>	From: 4/1/98 To: 10/18	Admin Assistant Admin Assistant	\$ [REDACTED]
3 <u>Rock Neal + Son</u>	From: To:	Office Manager	\$ [REDACTED]
4 <u>Tsushima Engineering</u>	From: To:	Office Manager	\$ [REDACTED]
5 <u>Waterside Service Apts</u>	From: 2/17/03 To: 5/31/04	Office Manager	\$ [REDACTED]
6 <u>Bank of America</u>	From: 6/1/71 To: 2/81	Letter - NCR - Utility	\$ [REDACTED]

### Acknowledgement

I hereby certify that the answers I have made to the foregoing questions are both complete and true to the best of my knowledge and belief. I acknowledge that I have read the applicable fraud notice on page 5 of this form.

*[Signature]*  
SIGNATURE

*11/28/05*  
DATE

# EXHIBIT 6

from the desk of:

**KAREN VELTKAMP**

PHONE (503) 321 - 6490

12-5-05

Called claimant to advise of claim receipt.  
Explained process.

K. Veltkamp

THE STANDARD

STND1149-00280

# EXHIBIT 7

Standard Insurance Company

503.321.8845 Tel  
PO Box 2800 Portland OR 97208-2800Additional Information Request

Date: 12-19-05

**AUL Corp**  
**Attn: Anna Suesens**  
**1000 Main St Suite 200**  
**Napa CA 94559**

EMPLOYEE: **Patricia Broyles**

SOCIAL SECURITY NO.:

CLAIM NO.: **00375832**

Additional information is needed for us to continue our processing of the above individual's disability claim.

- Please forward a copy of his/her job description.
- Please have the enclosed Job Analysis Form completed by the person best qualified to provide this information.
- Please forward copies of his/her most recent performance evaluation and record of absences for the past year.
- Please forward his/her original enrollment card for life insurance and/or LTD.
- Please forward a copy of his/her job application.
- Please let us know the last date through which sick leave was or will be paid.
- This individual has indicated he/she did not receive a brochure or certificate of coverage. Please forward a certificate to him/her as soon as possible, and notify us when it has been sent. If you are out of them, please contact our group office for a supply.
- Please forward verification of his/her present work hours and earnings.
- \_\_\_\_\_

Thank you for your help. We look forward to hearing from you soon, and have enclosed a postage-paid envelope for your convenience in replying. Please call if you have any questions.

Sincerely,

Shannon Teed

Benefits Department

Phone No.: ( 800 ) 368-1135 x7598

# EXHIBIT 9



December 30, 2005

Patricia Broyles

Napa CA 94558

**REDACTED**

Re: AUL Corporation  
Group Policy 623691  
Claim No. 00375832

Dear Ms. Broyles:

We are writing to update you on the status of your claim for long term disability (LTD) benefits.

The initial review of your disability claim has been completed; however, we are unable to complete our investigation at this time because we need to obtain additional information before we can complete our review.

We are investigating whether you meet your policy's Definition of Disability, a copy of which is attached. Your Group Policy defines disability as follows:

#### **DEFINITION OF DISABILITY**

You are Disabled if you meet the following definitions during the periods they apply:

- A. Own Occupation Definition Of Disability
- B. Any Occupation Definition Of Disability
- A. Own Occupation Definition Of Disability

During the Benefit Waiting Period and the Own Occupation Period you are required to be Disabled only from your Own Occupation.

You are Disabled from your Own Occupation if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder:

1. You are unable to perform with reasonable continuity the Material Duties of your Own Occupation; and
2. You suffer a loss of at least 20% in your Indexed Predisability Earnings when working in your Own Occupation.

900 SW Fifth Avenue  
Portland OR 97204-1235  
tel 888.987.4783

The Standard Insurance Company — a subsidiary of Standard Financial Group, Inc.

STND1149-00300

## STANDARD INSURANCE COMPANY

Patricia Broyles

2

December 30, 2005

**Note: You are not Disabled merely because your right to perform your Own Occupation is restricted, including a restriction or loss of license.**

During the Own Occupation Period you may work in another occupation while you meet the Own Occupation Definition Of Disability. However, you will no longer be Disabled when your Work Earnings from another occupation meet or exceed 80% of your Indexed Predisability Earnings. Your Work Earnings may be Deductible Income. See **Return To Work Provisions and Deductible Income**.

Own Occupation means any employment, business, trade, profession, calling or vocation that involves Material Duties of the same general character as the occupation you are regularly performing for your Employer when Disability begins. In determining your Own Occupation, we are not limited to looking at the way you perform your job for your Employer, but we may also look at the way the occupation is generally performed in the national economy. If your Own Occupation involves the rendering of professional services and you are required to have a professional or occupational license in order to work, your Own Occupation is as broad as the scope of your license.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty.

### B. Any Occupation Definition Of Disability

During the Any Occupation Period you are required to be Disabled from all occupations.

You are Disabled from all occupations if, as a result of Physical Disease, Injury, Pregnancy or Mental Disorder, you are unable to perform with reasonable continuity the Material Duties of Any Occupation.

Any Occupation means any occupation or employment which you are able to perform, whether due to education, training, or experience, which is available at one or more locations in the national economy and in which you can be expected to earn at least 60% of your Indexed Predisability Earnings within 12 months following your return to work, regardless of whether you are working in that or any other occupation.

Material Duties means the essential tasks, functions and operations, and the skills, abilities, knowledge, training and experience, generally required by employers from those engaged in a particular occupation that cannot be reasonably modified or omitted. In no event will we consider working an average of more than 40 hours per week to be a Material Duty.

Your Own Occupation Period and Any Occupation Period are shown in the **Coverage Features**.

STANDARD INSURANCE COMPANY

Patricia Broyles

3

December 30, 2005

Standard Insurance Company will be requesting, on your behalf, your medical records from Dr Glenn Pfeffer. I will also be contacting your employer for clarification of your salary and other compensation received since your cease work.

While Standard Insurance Company is requesting this information on your behalf, the responsibility to provide this proof of loss remains yours. In the event we are unable to obtain this information by February 1, 2006, we will be contacting you to request your assistance.

We understand the importance of making a timely decision on your claim and will keep you informed about the progress of our investigation on a regular basis. When all necessary information is received, we will promptly complete the review of your claim and notify you of the claim decision.

Thank you for your cooperation and patience. Please feel free to call me with any questions.

Sincerely,

Shannon Teed  
Disability Benefits Analyst  
Employee Benefits Department  
(800) 368-1135 ext. 7598

Enclosures

# **EXHIBIT 10**

**Order Confirmation****Order Detail**

Order ID 60032459

**Patient Information**

First Name Patricia SSN [REDACTED]

Last Name Broyles DOB [REDACTED]

**Special Instructions****REDACTED****Physician/Facility Information**

Physician Name Glenn Pfeffer Phone Number

Facility Name Patient/Kaiser Number

Address 444 So San Vicente Suite 603

City Los Angeles State CA Zip 90048

Special Instructions All med. records, progress/therapy notes, referral info., prescribed meds, lab/diagnostic test results, op. reports. Hospitals incl. Admit Hx, Phys. Exam &amp; Disch. Summary. Please include only information from 1-1-05 to the present.

**Case Information**

Carrier Standard Insurance Company Broker

Carrier Policy Number 375832 Broker Policy Number

Requestor Teed, Shannon Routing Number BBB

Email steed@standard.com Phone 503-321-7598

Account Number 1522 Product ID APS

Agent Name Followup Standard

Email Phone

Date Order Added 1/3/2006 4:12:40 PM

**Please fax the Authorization to (800) 997-2771 and include a copy of this confirmation page with the fax.**

\*\*\*\*\*-COMM. \*\*\*\*\*- DATE JAN-23-2008 TIME 15:23 \*\*\* P.81

MODE = MEMORY TRANSMISSION

START=JAN-23 15:21

END=JAN-23 15:23

FILE NO. = 164

STN NO.	COM	ABER NO.	STATION NAME/TEL. NO.	PAGES	DURATION
081	OK	*	918089972771	003/003	00:01:11"

-STANDARD INS GROUP LTD -

\*\*\*\*\*-583 321 7437 - \*\*\*\*\* - 583 321 7437- \*\*\*\*\*

Fax


Date: 1-3-06  
To: LabOnePages: including this cover  
Fax: (888) 368-9545  
Phone:  
Fax: (503) 321-7437  
Phone: (800) 368-1135 ext. 7598

From: Shannon Teed

Subject: Authorization(s) for APS Request

General Authorization attached.  
 Psychotherapy Authorization attached.

For

Claimant Patricia BroylesOrder Number (s) 60032459


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**Confidentiality Notice:** Do not read this document if you are not the intended recipient. This document and any documents or other attachments may contain confidential information. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any information contained in or attached to this transmission is strictly prohibited. If you have received this transmission in error, please immediately notify the sender by telephone and destroy the original transmission and its attachments without reading or saving in any manner. Thank you.

900 SW Fifth Avenue  
Portland OR 97204  
(503) 637-4788

Standard Insurance Company — A Subsidiary of BancCorp Financial Group, Inc.

STND1149-00305

**Shannon Teed**

---

**From:** [apsinfo@labone.com](mailto:apsinfo@labone.com)  
**Sent:** Tuesday, January 03, 2006 2:48 PM  
**To:** Shannon Teed  
**Subject:** Email update on APS order applicant PATRICIA BROYLES

LabOne INC  
800 NW Chipman Road  
Suite 5900  
Lee's Summit, MO 64063

We received your request for medical records.

Applicant Name - PATRICIA BROYLES  
From Doctor - GLENN PFEFFER  
Policy Number - 375832  
OrderID - 60032459  
Requestor Name - Shannon Teed

If you have any questions, please call 888-521-2004 or email [APSinfo@LabOne.com](mailto:APSinfo@LabOne.com). Thank you for your business!

# EXHIBIT 13



# **EXHIBIT 14**



March 3, 2006

Patricia Broyles

Napa CA 94558

**REDACTED**

Re: AUL Corporation  
Group Policy 623691  
Claim No. 00375832

Dear Ms. Broyles:

We are writing in regard to your claim for long term disability (LTD) benefits with Standard Insurance Company (The Standard).

The initial review of your disability claim has been completed; however, we are unable to complete our investigation at this time.

As previously communicated, we had requested and received what appeared to be incomplete medical records from Dr. Pfeffer. On February 14, 2006, Susan at Dr. Pfeffer's office faxed additional medical records. On February 15, 2006, by voicemail, I confirmed with you receipt of this additional information. At that time, I had indicated that your file had been forwarded for medical review.

We have recently received the results of the medical review and will be reviewing this information. Therefore, additional time is needed to complete our investigation. We anticipate that we will be able to complete our review within the extension period, April 2, 2006.

We understand the importance of making a timely decision on your claim and will keep you informed about the progress of our investigation on a regular basis. When all necessary information is received, we will promptly complete the review of your claim and notify you of the claim decision.

Thank you for your cooperation and patience. Please feel free to call me with any questions.

Sincerely,

Shannon Teed  
Disability Benefits Analyst  
Employee Benefits Department  
(800) 368-1135 ext. 7598

900 SW Fifth Avenue  
Portland OR 97204-1235  
tel 888.937.4783

Standard Insurance Company - A subsidiary of Standard Financial Group, Inc.

# EXHIBIT 16

## David W. Waldram, M.D.

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### EDUCATION

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Portland State University, Graduated 1963  
University of Oregon Medical School, Graduated 1966

**INTERNSHIP:**

Milwaukee County Hospital, 1967

**MILITARY:**

United States Air Force: Orthopedic Hospital Physicians, 1967-1969  
Rank, Captain

**RESIDENCY:**

Medical School of Wisconsin, 1969-1973

**FELLOWSHIP:**

American Academy of Orthopedic Surgeons  
Board Certified 1974

---

### CURRENT PROFESSIONAL STATUS

---

Orthopedist currently active as a consultant, performs Independent Medical Examinations, holds a position on the Advisory Board to Oregon Health Systems, and is a consultant for Standard Insurance Company.

---

### PAST ACADEMIC & PROFESSIONAL APPOINTMENTS

---

Clinical Professor, Veterans Hospital  
Clinical Professor, Emanuel Hospital: Director, Orthopedic Residency Program  
Senior Clinic Professor, University of Oregon Health Sciences Center  
Clinical Professor, Shriners' Crippled Children's Clinic  
Consultant, Scoliosis/Spine Clinic, University of Oregon Health Sciences Center



#### **ADDITIONAL TRAINING**

1973 Europe/England: Emphasis: Trauma & Total Joint Replacement Surgery  
 1973 Spinal Training with Walter Blount, MD: Presentation to Scoliosis Society  
 "Hysterical Scoliosis":  
 2000 England: Spinal Trauma Center, Advanced Training with Head Surgeon,  
 Mr. Webb

**PRIOR HOSPITAL AFFILIATIONS**

Providence St. Vincent Hospital  
Legacy Meridian Park Hospital  
Legacy Emanuel Hospital  
Providence Portland Hospital  
OHSU- Consultant  
Veterans' Hospital, Portland-Consultant  
Shriners' Crippled Children's Hospital-Consultant

# EXHIBIT 19



May 10, 2006

Patricia Broyles  
[REDACTED]  
Napa CA 94558

**REDACTED**

Re: AUL Corporation  
Group No. 623691  
Claim No. 00375832

Dear Ms. Broyles:

We are writing in regard to your Long Term Disability (LTD) claim with Standard Insurance Company (The Standard). We are in receipt of your letter dated May 1, 2006 requesting a copy of your complete claim file.

We have enclosed a copy of your claim file for your review.

If you have any questions, please contact our office.

Sincerely,

*Emmi Gordon*  
Emmi Gordon  
Disability Benefits Processor  
Employee Benefits Department  
1-800-368-1135 ext. 6583

# **EXHIBIT 23**



August 3, 2006

**REDACTED**

**COPY**

PATRICIA A BROYLES  
[REDACTED]  
NAPA, CA 94558

Re: AUL CORPORATION  
Group No. 623691  
Claim No. 00375832

Dear Ms. Broyles:

We are writing in regard to your Long Term Disability (LTD) claim with Standard Insurance Company (The Standard).

This letter is to acknowledge that we are in receipt of your letter dated July 25, 2006, in which you requested an independent review of Standard Insurance Company's (The Standard) decision to deny your claim for long term disability (LTD) benefits. You have indicated in our telephone conversation that you are intending to submit additional information for our review. This additional information includes complete medical records from Drs. Shifflett and Pfeffer, physical therapy notes from Napa Valley Physical Therapy Center and Queen of the Valley Hospital, and pharmacy records showing pain medications prescribed.

Standard Insurance Company's goal is to complete all requests for an independent review within 45 days of receipt of such requests or within 90 days if circumstances warrant an extension, pursuant to regulations issued by the U.S. Department of Labor (DOL). Please note that these regulations permit us to exceed these timeframes if such extension is by mutual agreement. Since you have requested additional time in order to submit information in support of your appeal, we will defer completion of our review, if you agree that the DOL regulatory timeframes will not apply and we will be allowed sufficient time to evaluate any additional information submitted.

Please submit the additional records mentioned about within the next 30 days. If you are unable to do so, or need additional time, please notify us in writing.

PATRICIA A BROYLES

2

August 3, 2006

If you have any questions about this letter or your claim, please write or call me.

Sincerely,



Jason Hewett  
Disability Benefits Analyst  
800-368-1135 ext. 7598

# EXHIBIT 24



October 4, 2006

PATRICIA A BROYLES  
NAPA, CA 94558

**REDACTED**

**COPY**

Re: AUL Corporation  
Group No. 623691  
Claim No. 00375832

Dear Ms. Broyles:

We are writing in regard to your Long Term Disability (LTD) claim with Standard Insurance Company (The Standard).

As we agreed in our phone conversation on October 3, 2006, you will provide the additional medical information, including records from Drs. Shifflett and Pfeffer, physical therapy notes from Napa Valley physical Therapy Center and Queen of the Valley Hospital, and pharmacy records showing pain medications prescribed to The Standard no later than November 3, 2006. Since you have requested additional time to submit information in support of your appeal, we will defer completion of our review. If this information is not received by that date, we will complete our review with the medical information we currently have.

Thank you for your continuing cooperation and patience.

If you have any questions about this letter or your claim, please write or call me.

Sincerely,

Jason Hewett  
Disability Benefits Analyst  
800-368-1135 ext. 7598

# **EXHIBIT 25**

**REDACTED**

From the desk of:

**JASON HEWETT**

11/20/2006 1:26 PM

Re: PATRICIA A BROYLES  
Member SS#: [REDACTED]  
Claim #: 00375832

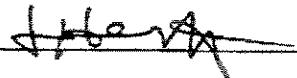
Policyholder: AUL CORPORATION  
Group ID#: 10037483  
Policy #: 623691

I returned Ms. Broyles' call on Friday afternoon 11/17/06 at 4:15 p.m. to ask her about the additional letter from her physician that she said she would be sending in. She returned my call this morning and left a voicemail and I called her back and she was not home so I left another voicemail.

I let her know that I am waiting to hear about the additional letter so that I'll know whether or not she wants us to begin the review of her contested claim.

Page 1 of 1

Signed



THE STANDARD

STND1149-00381

**REDACTED**

From the desk of:

**JASON HEWETT**

11/20/2006 3:05 PM

Re: PATRICIA A BROYLES  
Member SS#: [REDACTED]  
Claim #: 00375832

Policyholder: AUL CORPORATION  
Group ID#: 10037483  
Policy #: 623691

Ms. Broyles returned my call and let me know that she still does not have the letter from Dr. Pfeffer and that we should proceed with the review of her claim and she will fax the letter as soon as she receives it.

I thanked her for letting me know.

Page 1 of 1

Signed J. Hewett

THE STANDARD

STND1149-00382

**REDACTED**

From the desk of:

**JASON HEWETT**

11/20/2006 3:37 PM

Re: PATRICIA A BROYLES  
Member SS#: [REDACTED]  
Claim #: 00375832

Policyholder: AUL CORPORATION  
Group ID#: 10037483  
Policy #: 623691

Ms. Broyles called me back and wanted to ask if the medical information that she sent in on 10/28/06 had been reviewed. I told her that I had reviewed it but it had not been reviewed by the Medical Consultant. I told her that it had not been reviewed because I was of the understanding that she wanted us to wait until the letter from Dr. Pfeffer was sent to us.

She requested that a letter to document that we spoke today regarding her contested claim and that she requested that the information that we've received be reviewed and that the letter from Dr. Pfeffer be reviewed once it arrives. I told her that I would be happy to send a letter to her documenting the conversation. She asked that it be faxed to her attorney's office fax number, 707-963-2622. I verified that she still wanted all communication directed to her and not the attorney and she said yes.

Page 1 of 1

Signed J. Hewett

THE STANDARD

STND1149-00383

**REDACTED**

From the desk of:

**JASON HEWETT**

11/21/2006 1:42 PM

Re: PATRICIA A BROYLES  
Member SS#: [REDACTED]  
Claim #: 00375832

Policyholder: AUL CORPORATION  
Group ID#: 10037483  
Policy #: 623691

Ms. Broyles called me today to let me know that she was faxing a copy of the letter from Dr. Pfeffer. She said that she would mail the hard copy to me as well but wanted me to have the information as soon as possible.

I called her to let her know that I had received the faxed letter. She thanked me for letting her know.

Page 1 of 1

Signed J. Hewett

THE STANDARD

STND1149-00384

# **EXHIBIT 26**



November 20, 2006

PATRICIA A BROYLES  
[REDACTED]  
NAPA, CA 94558

**REDACTED**

Re: AUL Corporation  
Group No. 623691  
Claim No. 00375832

Dear Ms. Broyles:

We are writing to update you on the status of the review of your claim for Long Term Disability (LTD) benefits with Standard Insurance Company (The Standard).

Thank you for providing us with copies of a letter from Dr. Shifflet, notice from the state of California that you exhausted your State Disability Insurance benefits as of September 23, 2006, Napa Valley Physical Therapy Center Discharge Summary and treatment records, admission and hospitalization records for total knee replacement surgery on April 12, 2006, admission and hospitalization records for July 11, 2006 total knee arthroscopy (TKA), Queen of the Valley Physical Therapy records, Queen of the Valley Hospital admission and physical therapy records and your record of medications for the period beginning January 1, 2005 through October 11, 2006.

We have not begun the review process because we were awaiting the additional letter from Dr. Pfeffer. However, per our phone conversation today, we will now review the additional information you submitted to us and you will send the letter from Dr. Pfeffer as soon as you receive it.

If the new information is sufficient for us to approve your claim, we will do so. If not, we will explain why and your claim will be forwarded to our Administrative Review Unit for an independent review of this decision.

We will keep you informed regarding the status of our review. Should you have any questions, please do not hesitate to contact me.

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\_\_\_\_\_  
\_\_\_\_\_

PATRICIA A BROYLES

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November 20, 2006

Sincerely,



Jason Hewett  
Disability Benefits Analyst  
800-368-1135 ext. 7598

# **EXHIBIT 27**



December 11, 2006

Patricia Broyles  
[REDACTED]  
Napa CA 94558

**REDACTED**

Re: AUL Corporation  
Group No. 623691  
Claim No. 00375832

Dear Ms. Broyles:

We are writing to update you on the status of the review of your Long Term Disability (LTD) claim with Standard Insurance Company (The Standard).

Your file has been forwarded for medical review and we are awaiting these results. Therefore, we are unable to complete our review at this time.

If the new information is sufficient to change our decision, we will do so. If not, we will explain why, and your claim will be forwarded to our Administrative Review Unit (ARU) for an independent review of this decision.

We will keep you informed regarding the status of our review. Should you have any questions, please do not hesitate to contact our office.

Sincerely,

*J. Hewett* [Signature]

Jason Hewett  
Disability Benefits Analyst  
(800) 368-1135 ext. 7598

300 SW Fifth Avenue  
Portland OR 97204-1235  
tel 888.837.4783

Standard Insurance Company -- A subsidiary of The Coca-Cola Company, Inc.

STND1149-00394

# EXHIBIT 33



February 12, 2007

Patricia Broyles

[REDACTED]  
Napa, CA 94558

**REDACTED**

Re: AUL Corporation  
Group Policy 623691  
Claim No. 00375832

Dear Ms. Broyles:

Your file has been referred to the Administrative Review Unit for an independent review of Standard Insurance Company (the Standard's) decision to deny your long-term disability (LTD) claim. Our goal is to complete all reviews as promptly as possible, and no later than 90 days after the request for review is received. However, in order to ensure a full and fair review, a more extensive review period is sometimes required.

On October 31, 2006, The Standard received a letter from attorney Kathleen Herdell, requesting a review of the decision to deny your LTD claim. With her letter Ms. Herdell provided additional information for consideration during the review process. The Standard then received a letter from Dr. Glenn Pfeffer on November 20, 2006. Therefore, the 90 day period will end on February 18, 2007.

As part of the Administrative Review Unit's review, and in accordance with the requirements of Department of Labor (DOL) regulations, we have referred your file for consideration and comment by a physician consultant who is board certified in psychiatry, and who has not previously reviewed the file. Therefore, additional time is needed to complete our review. We estimate that we will be able to complete our review on or before March 31, 2007.

We appreciate your patience during the review process. However, because our review has extended beyond the 90<sup>th</sup> day, we want to notify you that you may choose to seek other legal remedies including filing suit under Section 502(a) of the Employee Retirement Income Security Act (ERISA).

We will send you periodic updates regarding the status of our review and will notify you in writing once the review is completed. If you have any questions, please call me at (503) 321-7917.

Sincerely,

Mary E. Cea  
Benefits Review Specialist  
Employee Benefits – Quality Assurance

900 SW Fifth Avenue  
Portland OR 97204-3123  
Tel 888.337.4783

Standard Insurance Company – A subsidiary of Standard Financial Group, Inc.

STND1149-00417

# EXHIBIT 34

Joseph J. Mandiberg, M.D.

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EDUCATION

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Undergraduate: University of Michigan, B.A. English  
History of Art, 1965-1969

Medical School: Wayne State University, School of Medicine  
Detroit, Michigan, 1970-1974

Internship: Harper Hospital, Wayne State University  
Detroit, Michigan, 1974-1975

Residency: Henry Ford Hospital, Orthopedics  
Detroit, Michigan, 1975-1978

Certification: American Board of Orthopedic Surgery  
September 11, 1981

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RELATED EXPERIENCE

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Dr. Mandiberg served the Portland community from 1978 through 1982 at Northwest Permanente in Portland, Oregon. Since 1982, he serves the Portland community along with the Gresham community through his private practice.

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HOSPITAL AFFILIATIONS

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Dr. Mandiberg's current hospital affiliations include Providence Medical Center, Portland, Oregon, Legacy Good Samaritan Hospital & Medical Center, Portland, Oregon and Legacy Mt. Hood Medical Center, Gresham, Oregon.

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PUBLICATIONS AND PAPERS

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"Menisectomies in Children" and "Journal of Sports Medicine"



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MEMBERSHIPS

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Dr. Mandiberg is a member and supports several societies including:

American Academy of Orthopedic Surgeons (AAOS)  
Medical Society of Metropolitan Portland  
Oregon Medical Association  
North Pacific Orthopedic Society